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ABSTRACT

This is a report of hearings held in New York City on September 17, 1979, and in Philadelphia on October 20, 1979, on two federal youth employment bills: H.R. 4465 and H.R. 4534. H.R. 4465 proposes to combine immediate work and training and training opportunities with long term changes in the institutions and programs which serve young people. H.R. 4534, The Full Youth Employment Act, would establish a program of full employment, vocational training, and placement for all young people, ages 16 to 24. Also discussed in this document is H.R. 4536, a bill which would extend the Targeted Jobs Act credit to in-school youth who are between 16 and 18 years old and economically disadvantaged. Testimony is included from sixty-one individuals and groups including the following: (1) in New York City, representatives of the City Human Resource Administration, and the Department of Employment, New York State Division for Youth, and Community Council of Greater New York, The Youth Unemployment Coalition, All-Craft Foundation, and The People's Development Corporation; (2) in Philadelphia, representatives of City Council of Philadelphia, Philadelphia Urban League, Area Manpower Planning Council, Education to Work Council of Philadelphia, Private Industry Council, and Opportunities Industrialization Centers of America. Copies of the bills are not included in this third volume of the hearings. (MEK)

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YOUTH EMPLOYMENT ACT OF 1979

Part 3

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HEARINGS

BEFORE THE

SUBCOMMITTEE ON EMPLOYMENT OPPORTUNITIES

OF THE

COMMITTEE ON EDUCATION AND LABOR HOUSE OF REPRESENTATIVES

NINETY-SIXTH CONGRESS

FIRST SESSION

ON

H.R. 4465

TO IMPROVE FEDERAL PROGRAMS OF YOUTH EMPLOYMENT
AND TRAINING, AND FOR OTHER PURPOSES

AND

H.R. 4534

TO ESTABLISH A PROGRAM OF FULL EMPLOYMENT, VOCATIONAL TRAINING, AND EMPLOYMENT PLACEMENT FOR ALL YOUNG AMERICANS WILLING AND ABLE TO WORK, AND FOR OTHER PURPOSES

HEARINGS HELD IN NEW YORK, N.Y., ON SEPTEMBER 17;
PHILADELPHIA, PA., ON OCTOBER 20, 1979

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YOUTH EMPLOYMENT ACT OF 1979

Part 3

MONDAY, SEPTEMBER 17, 1979

House of Representatives,
Subcommittee on Employment Opportunities,
Committee on Education and Labor,
New York, N.Y.

The subcommittee met, pursuant to call, at 9:15 a.m., in the community room, Riverside community apartments, 3333 Broadway, New York, N.Y.

Members present: Representatives Hawkins, Weiss, and Jeffords.

Staff present: Susan Grayson, staff director; Hugh Duffy, associate counsel; Carole Schanzer, clerk and administrative assistant; and Nat Semple, minority senior legislative associate.

Mr. **Hawkins**. Mr. Weiss.

Mr. **Weiss**. Good morning. Let me thank you for coming here so promptly.

At the outset, let me express my appreciation and welcome to Congressman Augustus Hawkins, who chairs the Subcommittee on Employment Opportunities of the Education and Labor Committee of the House, and Congressman Jeffords of Vermont, for coming here this morning, and holding these hearings in New York.

Let me also introduce at this time the staff members who are with us: Susan Grayson, who is the staff director of the subcommittee; Carole Schanzer who works with her; Hugh Duffy who is a representative of the chairman of the Full Education and Labor Committee; Mr. Perkins; and Nat Semple, who is a staff representative for the minority.

I have just a brief opening statement, with your permission, Mr. Chairman.

Mr. **Hawkins**. Certainly.

Mr. **Weiss**. This morning, the Subcommittee on Employment Opportunities is continuing hearings on the problem of youth unemployment, and the proposals which have been offered by Mr. Hawkins, myself, and other Members of the House. This hearing marks the ninth day of testimony on these proposals.

As you all know, the youth programs under CETA expire in 1980, and this committee hopes to address the effectiveness of these and other programs, and develop new initiatives in this area.

I am particularly pleased that we are holding these hearings in New York City, and welcome you all here today. I also want to extend a warm welcome to Mr. Hawkins and Mr. Jeffords for their participation this morning, despite their heavy schedule, and the fact that the House is in session today.

Because of these schedules, we will have to limit the oral presentations to 10 minutes, and must return promptly at 2 o'clock, so that we may return to Washington. We will, of course, welcome written testimony for the record.

I would like to take a moment to express our appreciation to Mr. Hawkins for his efforts, not only in the area of youth employment, but employment for all age groups. As the coauthor of the Humphrey-Hawkins Full Employment Act, Mr. Hawkins has demonstrated his deep and abiding commitment to the development of an effective national policy to achieve the goals of full employment. Of course, as the chairman of this subcommittee, he has been in the forefront of the development new youth employment legislation, which incorporates a number of approaches to this serious problem.

Mr. Hawkins is again leading the way with the introduction of his bill H.R. 4465. This bill combines immediate work and training opportunities with long-term changes in the institutions and programs that serve young people.

I have also introduced two new pieces of legislation, H.R. 4534 and H.R. 4536, the Full Youth Employment Act, and an extension of the Targeted Jobs Act programs.

The Full Youth Employment establishes a program of full employment, vocational training, and placement for all young people ages 16 to 24. The bill estalished employment for those youth, and calls for the placement of all young people who want a job under existing or newly developed programs.

H.R. 4536 extends the Targeted Jobs Act credit to 16 to 18 year old, economically disadvantaged, inschool youth.

We look forward to your comments and analyses of these various proposals.

I know that I do not need to remind anyone of the problem of unemployment among young perople that we face today. The rate of unemployment among teenagers is at 14 percent for white teenagers, and at a catastrophic 35 percent for minority teenagers nationwide.

In New York City, the problem is even more staggering. A recent report from the Bureau of Labor Statistics states that more then one-third of New York City's youth in the labor force were unemployed in the second quarter of 1979. The jobless rate in the group in the ages of 16 to 19 rose to 35.4 percent up from 23.1 percent in the second quarter of 1978. This does not begin to convey the true array of unemployment among minorities, and the Nation's young people as a whole.

These sobering statistics do not convey the frustration, cynicism, and hopelessness of an entire generation. Unfortunately, the outlook is bleak. Even the most optimistic forecasters predict a severe recession. It is indeed a frightening prospect the situation in New York City today may become the norm for the Nation.

In these hearings today, we have an opportunity to carefully examine the existing programs for New York City. We hope to benefit from the experience of all the witnesses, both those who run these programs, and those who participate in various ways.

Again, I would like to welcome all of you, and simply add, again, that due to the House being in session today, the hearing must adjourn at 2 o'clock. Thank you for your cooperation.

Thank you very much, Mr. Chairman.

Mr. **Hawkins**. Thank you, Mr. Weiss.

Let the Chair state that the subcommittee is in New York City today at the invitation of and I might add the insistence of Congressman Weiss. We are delighted to be in New York. As a matter of fact, this series of hearings on youth employment began in the city of New York more than a year ago. I believe Mr. Weiss was chairing the subcommittee hearings at that time.

Instead of making an opening statement at this time, let me yield to the ranking minority member of the subcommittee, Congressman Jeffords. Again, I would say, along with Congressman Weiss, Congressman Jeffords has certainly provided great leadership in the field of youth employment. I think that the production of this subcommittee, in terms of the bills, including my own act, the youth employment bills, and the other bills are largely due to the work of Congressman Weiss and Congressman Jeffords.

At this time, the Chair would yield to Mr. Jeffords.

Mr. **Jeffords**. Thank you, Mr. Chairman.

It is certainly a pleasure to be here. I appreciate the opportunity to come to your district. No hearings on youth employment would be complete if we did not have an opportunity to visit the country's biggest city and one that has had some of the biggest problems.

Coming from the most rural State in the country and coming to the largest urban area is a contrast, but having traveled all over the country with this committee and viewing the problems, I just want to let everyone know how much work you have done in this area.

There are some Members of Congress who drift along, and represent their people the best they can. There are others who are drivers, and who participate in the system to the fullest. I wanted to share with you my own feelings. Despite the fact that he is a Democrat, he is an outstanding Congressman. You probably don't have any Republicans here, and you don't know what they are, but I am one.

It is good to be here, and we have a number of excellent witnesses to hear, and I am looking forward to their testimony.

Mr. **Hawkins**. May the Chair indicate that in addition to the testimony which will be received today, the record will be kept open so that anyone who cares to make a statement for the record will have that opportunity. Even though the witness may not be able to present the testimony before the subcommittee this morning, the statement, if given to one of the clerks, or sent directly to the Chair in Washington, will be made part of the official record.

We have as our first witness this morning, Commissioner Ronald Gault of the department of employment, the city of New York.

Commissioner Gault, would you kindly be seated at our witness table. If you have your associates with you, they may be seated, and if so, would you kindly introduce them.

Mr. Weiss may care to add to the introduction.

Mr. **Weiss**. Mr. Chairman, I just think it ought to be indicated, for the record, that Commissioner Gault, since he has assumed his position, has equally been a tremendous and constructive force in dealing with the problems of youth employment, and trying to ease what at best is still a very, very critical situation for us.

Let me take this occasion also, before Commissioner Gault proceeds, to acknowledge the presence of one of our outstanding legislators in the city of New York, Councilman Bassinger, who we know will have a staff person submit a statement for the record, because he is unable to stay here.

Thank you very much for taking the time to come here this morning.

Mr. HAWKINS. Thank you, Mr. Weiss.

Commissioner Gault, you may proceed.

STATEMENT OF RONALD GAULT, COMMISSIONER, DEPARTMENT OF EMPLOYMENT, CITY OF NEW YORK

Commissioner GAULT. Mr. Chairman, and distinguished Congressmen Weiss and Jeffords.

My name is Ronald Gault. I am the commissioner of the department of employment for the city of New York. If I may introduce, on my left, Mr. Robert Albertorio, who is the newly appointed assistant commissioner for youth programs of the department of employment of New York City. On my right is an economist, distinguished in her own right, Ms. Henrietta DeBeer. She is a staff member of the department of employment, and has made an important and significant contribution to the documents that we are going to leave with you today.

If I may proceed, I have a statment of some 10 or 12 minutes, which I will read very quickly, and then answer any question you have.

It is significant that just last week the Bureau of Labor Statistics of the Department of Labor released a report on youth unemployment, which further emphasizes the importance and necessity of increased funding for youth employment and training programs. In comparing statistics from the second quarter of 1978 to those of the second quarter of 1979, the overall New York City youth unemployment rate has risen from 23.1 percent to 35.4 percent.

The Bureau of Labor Statistics set for last year minority youth unemployment at approximately 35 percent. Even though it has not yet established minority youth unemployment rates for the second quarter of this year, it might well be over 50 percent. What makes New York City's youth unemployment figures even more startling is that national figures only stand at about 16 percent for both last and this year.

Other educational and crime statistics in New York emphasize the crucial need for innovative programing. The crime analysis division of the New York City Police Department states that out of the 225,188 arrested last year, 83,955, or 37 percent, were under the age of 21. It is also estimated that among the 505,000 16 to 19 year olds in the city, approximately 97,000, or 20 percent, can be classified as economically disadvantaged.

Large numbers of youth are also dropping out of high school every year. In fact, the board of education estimates that approximately 20,000 youth, almost one-fifth of the total high school population, drop out each year. Advocates for Youth, a local Queens group, has done a study which gives us even more startling figures of up to 50,000 dropouts a year.

Given these assumptions, the New York City public schools are graduating less than half, or about 46.9 percent, of their students. Moreover, truancy rates have shown an alarming increase over the last 5 years, and those remaining in school and who actually graduate, a significant portion of them have less than a ninth grade reading level.

It may be that overall demographic changes over the next 10 years will lower the youth unemployment rate, thus making it possible for today's youth to compete successfully in the labor market of a decade from now. However, separate studies for minority youth show worsening trends.

Today's New York City youth under 21, which CETA is mandated to serve, have few marketable skills and without training or skills development will not be able to compete for jobs in New York City's increasingly technical, economic/occupational environment, and environment, I might add, which is expected to change structurally over the next 10 years.

The State Department of Labor has estimated that in New York City there are approximately 917,000 CETA-eligible youth between the ages of 14 and 21 for all of the CETA titles. Yet, there are only enough resources, including the summer youth employment program, to serve about 100,000 of them.

New York City is facing tremendous labor market problems over the next decade, and will continue to do so, problems which cannot help affect the city's youth population. New York City is the only labor area in the State expected to experience an employment drop in the period from 1974 to 1985. During that interval, a decline of 10 percent in the total employment is projected.

However, if the city continues to lose jobs at the rates set in the 1974-77 period, the actual employment drop could exceed 10 percent by 1985. Although all major occupational groups are expected to share in the decline, not all will contract at the same rate. Professional, technical and clerical workers will show a below average rate of decline, while blue collar categories, for example, crafts, operative skills, and laborers will show an above average rate.

The numbers of service workers and managers, officials and proprietors are expected to decrease at about the same rate as total city employment. However, even though total employment is projected to decline, family responsibilities, retirement or death will produce 106,000 average annual job openings from 1974 to 1985. Thus any youth employment and training programs must keep in mind the structural changes that will be occurring in the occupational/economic structure of New York City.

Your letter of invitation to testify this morning asked that we say what we are doing to alleviate high youth unemployment. In answer to this specific question: We have first recognized that the problems, of youth and the policy and program directives which must be taken in order to address these problems, must be seen within the constraints of the particular socio-economic context of New York City. There is a striking need for youth employment and training programs with which we can begin to address these problems and possibly change the structure of significant numbers of youth. Let me cite a few examples.

(1) There is a contracting labor force with fewer jobs;

(2) There is an increasing emphasis on skilled jobs; and

(3) The largest number of youth in the labor force can only qualify for a limited number of lower skilled, entry-level jobs.

We have launched a rigorous appraisal of our youth programs in an attempt to locate those most effective in the delivery of services to youth. One of the preliminary conclusions of this analysis is that innovative approaches to youth programing and training must be developed, not simply rehashes of previous attempts or variations on the theme of adult training programs.

While the new CETA regulations stress comprehensive career employment and training planning on an individualized basis, its reporting, tracking and eligibility requirements have become so stringent that it virtually precludes any creative training across programs. In effect, they have handcuffed contractors who could be innovative.

In spite of this, the Department of Employment would like to increase the funding of programs which combine work experience and education. In reviewing the proposed legislation, we want to emphasize the premium that we place, and feel should be continually placed, on programing that combines work experience and education.

In our youth employment and training program, the decision to increase the number of programs serving in-school youth was arrived at after examining statistics showing the alarming increase in truancy, as indicated by the figures stated above, and this, in the large number of the people who are referred to us as potential dropouts from the school system. Most of these potential dropouts are CETA eligible, and can benefit from CETA programs. We are convinced by the evidence that school attendance, juvenile deliquency, and income are interrelated variables.

In responding to your second question raised in your invitation, what can be done to improve existing youth programs, our response is to urge you to further strengthen those provisions of the proposed legislation, that recognize the importance of supportive services and basic education for these troubled youth.

In fact, after examining the increasing incidence of juvenile offenders in New York City, the Department of Employment decided to increase its allocation to programs aimed at servicing those population groups. Again, however, because of the eligibility certification requirements in YETP, the time to get participants enrolled has become a protracted process and has hindered the effective functioning of this program.

In YCCIP, attempts are being made to bring unions into active involvement with the design of the program and in the instruction of participants. We are convinced that while more must be done in traditional apprenticeable occupations, such as the building trades, there is clearly a twilight of opportunity in emerging and nontraditional apprenticeable occupations.

Our experience is that this is a potentially fertile area for programing and the proposed legislation may offer some important incentives for youth with the unions. However, the 65 percent wage requirements of the regulations, which reduces allowable administrative costs, have made it impossible, and will continue to do so unless revised and rethought, to have an effective supervisory/worker relationship in certain specific programs, and especially so in traditional building trades apprenticeships, as well as provide other supportive services for youth.

For example, in many of the programs, 1 to 12 supervisor to worker ratio, which is a function of cost limitations, runs counter to effective supervision, as well as the adequate transfer of skills. Even more important, it often places the participants and supervisors alike in a state of physical risk, because of the scale and scope of these projects.

Further the absence of any provisions for basic skills training in this program for some of the hardest-to-place youth in New York City places an overwhelming burden on the sponsors and often undermines the basic objectives of placement in long-term, unsubsidized jobs.

In the youth incentives entitlement program, the change in the regulations concerning the cutbacks in the wage subsidy rates has caused confusion about how it is to be handled in the second year. This is our particular experience. This has not helped our programing efforts.

However, this does not mean that the program is not of tremendous value. In fact, it has been demonstrated time and time again that participants have been shown the value of, and the need for, basic education in order to achieve meaningful work experiences.

Additionally, in many instances, the basic skepticism of employers has broken down as they have been convinced that youth can make a worthwhile contribution, a contribution that does not necessarily undermine the financial soundness of their businesses.

We say to you that you are on target by stressing further private sector involvement in these programs. As you may know, New York City private industry council has placed a high priority on its work with youth.

Within the Department of Employment's summer youth employment program, for example, a vocational exploration program was developed for 500 youth through the Private Industry Council. By and large, the regular summer youth employment program occurred solely within the context of the public sector and not where most of the jobs are, that is, the private sector.

The important thing to note about this experience is that these work experiences simply have not given youth a handle on the world of work in the private sector. The youth in this year's vocational inspiration program have had the opportunity to observe the private sector from a close perspective over an extended period of time, and have ended up with a better sense of what is going on in the world of work and what jobs are available in a variety of industries.

I might add that the New York City experience shows that the development of management and business skills of youth for either self-employment or work in the business sector as career opportunities for minority is given inadequate attention within the total educational system. We urge you to consider this as a possible inclusion in your proposed legislation.

In a few short minutes, I have tried to respond to the basic inquiries of your subcommittee, and at the same time give you a glimpse of the New York City Department of Employment's programing and planning. It has been in no way the full story, or conclusive in any respects. With this brief response, however, our intent has been to be helpful and, perhaps, insightful.

It is our hope that this national focus on the problems of youth unemployment, particularly for minority youth, will be reflected in increased funding for a variety of youth related services, and a much needed increase in inter-agency cooperation, not only at the Federal level, as stressed in the proposed legislation, but at the State and local levels as well.

Thank you very much.

Mr. HAWKINS. Thank you, Commissioner Gault, for a very excellent statement.

The Chair will yield to Mr. Weiss.

Mr. WEISS. Thank you, Mr. Chairman.

I really have only one question. The statement has been really very specific. There is a great deal of information for our review.

When you talk about the CETA regulations, and the innovation, I assume that you have prepared a set of proposals to change those regulations.

Commissioner GAULT. We are pursuing that. It would be misleading to say that we have a proposal here and now, prepared to give you. But based upon a number of sessions that we have had over a very short period of time with a number of groups in this city who are involved in these programs, I think we are on the brink of developing such a proposal.

Mr. WEISS. Would you get that to the subcommittee and its various members. I think that it is something that would be very welcome to us. We certainly intend to follow that up.

Commissioner GAULT. I certainly will.

Mr. WEISS. Thank you very much.

Mr. HAWKINS. Commissioner Gault, I see that we do not have a copy of your prepared testimony, but I see that you read from a statement.

Commissioner GAULT. I will have one duplicated and submit it to you.

Mr. HAWKINS. Without objection, the statement submitted will be entered in the record at this point.

[The prepared statement of Ronald Gault follows:]

PREPARED TESTIMONY OF RONALD T. GAULT, COMMISSIONER, DEPARTMENT OF EMPLOYMENT OF THE CITY OF NEW YORK

INTRODUCTORY REMARKS

Mr. Chairman Hawkins, Congressman Weiss and Congressman Jeffords. I want to thank you for the opportunity to testify before your committee this morning. With me, from the Department of Employment, are, on my left, Mr. Roberto Albertorio, assistant commissioner for youth programs, and on my right, Ms. Henrietta DeVeer, an economist and staff member who has aided in the preparation of this document, that we will share with you today.

It is significant that just last week the Bureau of Labor Statistics of the Department of Labor released a report on youth unemployment, which further emphasizes the importance and necessity of increased funding for youth employment and training programs. In comparing statistics from the second quarter of 1978 to those of the second quarter of 1979, the overall New York City youth unemployment rate has risen from 23.1 percent to 35.4 percent. The Bureau of Labor Statistics set for last year minority youth unemployment at approximately 35 percent, even though it has not yet established minority youth unemployment rates for the second quarter of this year, it might well be over 50 percent. What makes New York City's youth unemployment figures even more startling is that national figures only stand at about 16 percent for both last and this year. Other educational and crime statistics in New York emphasize the crucial need for innovative programming. The crime analysis division of the New York City Police Department states, that out of the 225,188 arrested last year, 83,955, or 37 percent, were under the age of 21. It is also estimated that among the 505,000 16 to 19 year olds in the city approximately 97,000 or 20 percent can be classified at economically disadvantaged. Large numbers of youth are also dropping out of high school every year. In fact, the board of education estimates that approximately 20,000 youth, almost ⅕ of the total school population, drop out each year. Advocates for youth, a Queens group, has done a study which gives us even more startling figures of up to 50,000 dropouts a year. Given these assumptions, the New York City public schools are graduating over the last five years, and of those remaining in school and who actually graduate, a significant proportion of them have less then a ninth grade reading level.

It may be that overall demographic changes over the next ten years will lower the youth unemployment rate, thus making it possible for today's youth to compete successfully in the labor market of a decade from now. However, separate studies for minority youth show worsening trends. Today's New York City youth under 21, which CETA is mandated to serve, have few marketable skills and, without training or skill development, will not be able to compete for jobs in New York's increasingly technical, economic/occupational environment, an environment which is expected to change structurally over the next ten years. The State Department of Labor has estimated that in New York City there are approximately 917,000 CETA-eligible youth between the ages of 14 and 21 for all of the CETA titles. And yet, there are only enough resources, including the summer youth employment program, to serve about 100,000 of them.

New York City is facing tremendous labor market problems over the next decade, problems which can not help but affect the city's youth population. New York City is the only major labor area in the state expected to experience an employment drop in the period from 1974 to 1985. During that interval, a decline of 10% in the total employment is projected. However, if the city continues to lose jobs at the rates set in the 1974-1977 period, the actual employment drop could exceed 10% by 1985. Although all major occupational groups are expected to share in the decline, not all will contract at the same rate. Professional, technical and clerical workers will show a below average rate of decline, which blue-collar categories, for example, crafts, operatives, and laborers, will show an above average rate. The numbers of service workers and managers, officials and proprietors are expected to decrease at about the same rate as total city employment, however, even though total employment is projected to decline, from family responsibilities, retirement, or death will produce 106,000 average annual job openings from 1974 to 1985. Thus, any youth employment and training planning must keep in mind the structural changes that will be occurring in the occupational/economic structure of New York City.

Your letter of invitation to testify at this hearing asked that we say what we are doing to alleviate high youth unemployment. In answer to this specific question, we have first recognized that there is a striking need for youth employment and training programs with which we can begin to address these problems and possibly change the future of significant numbers of youth:

1. A contracting labor force with fewer jobs;
2. Increasing emphasis on skilled jobs and;
3. The largest number of youth in the labor force can only; qualify for a limited number of lower skilled, entry-level jobs.

We have launched a rigorous appraisal of our youth programs in an attempt to locate those most effective in the delivery of services to youth. One of the preliminary conclusions of the analysis is that innovative approaches to youth employment and training must be developed, not simply rehashes of previous attempts or variations on the themes of adult training programs. While the new CETA regulations stress comprehensive career employment and training planning on an individualized basis, its reporting, tracking, and eligibility requirements have become so stringent that it virtually precludes any creative training across programs. In effect, they have handcuffed contractors who could be innovative. In spite of this, the Department of Employment would like to increase the funding of programs which combine work experience and education. In reviewing the proposed legislation, we want to emphasize the premium that we place (and feel should be placed), on programming that combines work experience and education.

In YEPT, the decision to increase the number of programs serving in-school youth was arrived at after examining statistics showing the alarming increase in truancy and, thus, in the number of people who are referred to as "potential dropouts" from the school system. Most of these potential dropouts are CETA-eligible and could benefit from CETA programs. We are convinced by the evidence that school attendance, juvenile delinquency, and income are interrelated variables. In responding to your second question raised in your invitation—what can be done to improve existing youth programs—our response is to urge you to further strengthen those provisions of the proposed legislation, that recognize the importance of supportive services and basic education to these youth. In fact, after examing the increasing incidence of juvenile offenders in New York City, the Department of Employment decided to increase its allocation to programs aimed at servicing participants group. Again, however, because of the eligibility certification requirements in YEPT, the time to get participants enrolled has become a protracted process and has hindered the effective functioning of this program.

In YCCIP, attempts are being made to bring unions into active involvement with the design of the program and in the instruction of participants. We are convinced that while more must be done in traditional apprenticeable occupations, such as the building trades, there is clearly a twilight of opportunity in emerging and nontraditional apprenticeable occupations. Our experience is that this is a potentially fertile area for programming and the proposed legislation may offer some important incentives. However, the 65 percent wage requirements of the regulations, which reduces allowable administrative costs, have made it possible (and will continue to do so unless revised) to have an effective supervisory/worker relationship, in certain specific programs—and especially so in traditional building trades apprenticeships—as well as provide other supportive services for youth, for example, in many of the programs, 1 to 12 supervisor to work ratio, which is a function of cost liminations, runs counter to effective supervision, the adequate transfer of skills and often places participants and supervisors alike in a state of physical risk. Further, the absence of any provision for basic skills training in this program for some of the hardest-to-place youth in New York City places an overwhelming burden on the sponsors and oftern undermines basic objectives of placement in long-term, unsubsidized jobs.

In YIEP, the change in the regulations concerning the cutbacks in the wage subsidy rates has caused confusion about how it is to be handled in the second year. This has not helped our programming efforts. However, this does not mean that the program is not of tremendous value. In fact, it has been demonstrated again and again that participants have been shown the value of, and need for, basic education in order to achieve meaningful work experiences. Additionally, in many instances, the basic skepticism of employers has broken down as they have been convinced that youth can make a worthwhile contribution that does not undermine the financial soundness of their businesses. You are on target by stressing further private sector involvement. As you may know, the NYC PIC has placed a high priority on its work with youth.

Within the Department of employment's Summer Youth Employment program, for example, a vocational exploration program was developed for 500 youth through the private industry council. By and large, the regular Summer Youth Employment program occurred solely within the context of the public sector and not where most of the jobs are, that is, the private sector. The important thing to note is that these work experiences simply have not given youth a handle on the world-of-work in the private sector. The youth in this year's vocational exploration program have had the opportunity to observe the private sector from a close perspective over an extended period of time and have ended up with a better sense of what is going on in the world-of-work and of what jobs are available in a variety of industries.

Also, the New York City experience shows that the development of management and business skills of youth for either self-employment or work in the business sector as career opportunities for minority youth is given inadequate attention within the total educational system. This area is being explored as a possible program strategy for the upcoming year.

In a few short minutes, I have tried to respond to the basic inquiries of your subcommittee and, at the same time, give you a glimpse of the New York City DOE's programming and planning. It has been in no way the full story or conclusive. With this brief response, however, our intent has been to be helpful and perhaps insightful. It is hoped that this national focus on the problems of youth unemployment, particularly for minority youth, will be reflected in increased funding for a variety of youth-related services and a much needed increased inter-agency cooperation, not only at the Federal level as stressed in the proposed legislation but at State and local levels as well.

Mr. **Hawkins**. Mr. Jeffords.

Mr. **Jeffords**. Commissioner, it was an excellent statement. Coming from Vermont, we don't necessarily have the same problems that you do. The question is, how do we know how many unemployed youth you have in New York City, with the statistical system that we have.

I have always been disturbed over the tremendous difference between the number of young people who sign up and enroll in a program, and the total number of youth who are unemployed. Do you have any idea what the actual number of unemployed youth is—twice what the unemployed is, or do you have any guess?

Commissioner **Gault**. Our best response is that it is often based on the best guestimate. Clearly, in all of the suggestions that I have had over the last several months, there is a crying need for better data around which we can do our program. In New York City, particularly in black and Hispanic communities, the numbers are estimated to exceed, to triple as well as quadruple the reported statistics for unemployed youth in the city.

Mr. **Jeffords**. Triple or quadruple.

Commissioner **Gault**. In many instances, yes; particularly in those communities, because these persons are among those who are not enumerated as part of any census data gathering effort for a whole host of cultural reasons.

Mr. **Jeffords**. What kind of effort does the city put forth to reach out and try to get the youth involved in your programs, that is, those that do not sign up as unemployed?

Commissioner **Gault**. Well, we have a potpourri of youth programs. For fiscal year 1980, we hope to have some $40 million of programing targeted at these groups.

As part of an Outreach effort, the New York City Department of Employment has established throughout the five burroughs of New York a network of Outreach offices. Since we live in an age of acronyn, we have one that fits this purpose, the Jobs TAP Center—testing, assessment and placement. It will not be limited to youth, but hopefully it will improve and enhance our ability to identify and bring in youth who are in need of a broad range of employment services and manpower training.

Mr. **Jeffords**. Thank you very much.

Mr. **Hawkins**. Commission Gault, when you submit your statement to the committee, we would appreciate it if you would include some expansion of the remarks made with respect to the private sector. One of the primary concerns of this committee, and I will address this to the other witnesses who will be testifying, is the expansion of jobs in the private sector, not only through the targeted tax credit program, but also in terms of the training subsidies.

We would obviously appreciate any experience which any of the witnesses have had in terms of the success, or the potential success of this particular phase of the program, because as you have indicated that is where most of the jobs are, and we are very much concerned with getting the young people involved.

Commissioner **Gault**. In fact, in response to an earlier request, we have prepared a more extensive, more detailed piece, which includes a significant discussion, I think, about the private sector involvement.

The Private Industry Council, which was established here in New York City just recently, as I said earlier, has targeted its efforts on youth, and it has shown some determination and persistence in pursuing that.

This is a city where there are changing priorities, as you might well know. The Private Industry Council is working with us, as well as Mr. Gotbaum, who will follow me before this committee, to determine some alternatives to unemployment for almost 15,000 CETA workers who will reach the end of their eligibility to participate in the CETA program in about 2 weeks, and face the dismal prospect of unemployment.

We necessarily had to involve the Private Industry Council in this effort, we hope not to the detriment of what it does with youth programing, but this is to give you some idea of the kind of pressures that private industry leaders and business are going to face within the next several months, in the short term, if you will, by unemployment in this city.

Mr. HAWKINS. Thank you again, Commissioner Gault.

Commissioner GAULT. Thank you.

Mr. HAWKINS. The second witness before the committee this morning is Mr. Victor Gotbaum, chairman of the Municipal Labor Unions in New York City.

Mr. Gotbaum, we welcome you as a witness before this committee this morning. We have a prepared statement from you, which will be entered in the record in its entirety at this point, and you may proceed to deal with it as you so desire.

[The prepared statement of Victor Gotbaum follows:]

PREPARED TESTIMONY OF VICTOR GOTBAUM, EXECUTIVE DIRECTOR, AFSCME DISTRICT COUNCIL 37, CHAIRMAN, NEW YORK CITY MUNICIPAL LABOR UNIONS

Mr. Chairman, Mr. Weiss, Members of the Committee. I want to thank you for the opportunity to testify before your Committee today in support of H.R. 4465, "The Youth Employment Act of 1979." In my capacity as Executive Director of AFSCME District Council 37, and as Chairman of the New York City Municipal Labor Union, I am privileged to testify in behalf of a quarter million public employees who work in New York City. I will try to share their concerns with you in the hope that effective legislation will result. Your task is undoubtedly enormous and I want to recognize the Committee's special work toward a full employment policy.

One of the ways to start a discussion on unemployment is to look at the numbers: The unemployment rate in New York City is now over 9 percent. For young people aged 16–19, the unemployment rate is now 25 percent. It has in the past few years been as high as 30 percent. Those unemployment rates are not aberrations; they are a consistent fact of life in this City, and there is little hope that the situation will change anytime soon. Without the help of your Committee, the numbers would be considerably worse. Against such a background, it is difficult to separate out the adult worker problem and impossible to prioritize who gets what employment opportunity.

For example, one need only look to the effects of the 1978 CETA amendments. All summer, approximately 18,000 CETA workers faced the possibility of layoff just two weeks from today. By working with your Committee, and especially, Representative Weiss, and pushing the Department of Labor and the City, our unions have been able to reduce layoffs to 3,000; but, that is 3,000 too many. Moreover, the 9,000 or so workers for whom a waiver has been requested will lose their CETA jobs over the next year. I simply do not know where these people will find jobs.

Our unions are firmly committed to a full employment economy. We believe absolutely in the dignity of work and that everyone who desires a job should have one. "Layoff" and "unemployment" have dictionary definitions; but, they also have human definitions—they mean the loss of a paycheck, the loss of self-esteem, the loss of the freedom found in economic security. They mean increased govenment spending for unemployment compensation and welfare benefits. They mean decreased tax revenues. There is nothing good about unemployment.

For CETA workers facing layoff, AFSCME DC 37 has set up a skills bank. We have taken the job descriptions and availability of our members and have met the large institutional employers in the City—the banks, the utility companies, the major corporations—in an attempt to transition our CETA people directly into private enterprise. D.C. 37 has its own fully accredited college at its union headquarters, so that our members can move forward. We train our members to take civil service tests at our own expense in an effort to increase their test scores and promotional opportunities. We have suggested a way for New York City to give a preference to CETA workers on civil service exams and for civil service hiring so that those persons who are CETA workers and a part of the City regular workforce can move into openings when they become available. The City has rejected our proposals, not because the proposals are illegal, but simply because the City does not share the same commitment that our unions have to full employment economy and to a meaningful CETA transition plan.

Due to the failure of the City and of the Department of Labor to approve thus far a meaningful training plan, and to insist that every effort be made to transition and place CETA workers, our union has filed a class action suit against the City and the Department of Labor in Federal District Court here. We are asking that New York City and the Department of Labor provide the training and transitioning for CETA workers that the CETA law requires.

I think members of this Committee will find that CETA hasn't been totally successful, not because of unions' being obstructionists, but rather because our local governments do not share our concern, and your Committee's concern, with providing work for all those who want to work. One of the reasons for the 1978 Amendments was the mismanagement of CETA monies by cities who simply substituted workers, instead of creating new jobs. That was a problem from our perspective also.

CETA workers are at times overlooked when Government agencies hire onto tax levy lines. The City has too often allowed administrative convenience to become the criteria for transitioning of CETA workers. The end result is administrative and legislative remedies that ultimately hurt those persons most in need of assistance. The workers get caught in the middle. CETA is an employment program; not an urban management tool.

If Titles II and VI of CETA have not achieved all thier goals, we must try harder to improve Title IV so that young people do not end up as some of my membership will be on October 1—untrained and unemployed.

The youth unemployment problem is a national one, and it is part of a national employment policy that is undersirable and unproductive. Anything short of a full employment policy does not address our unemployment problems—for either adults or youth. At its worst, CETA can exacerbate nasty competitive struggles for jobs between old and young, and between races. We cannot let that happen.

Municipal workers in New York City see the impact of youth unemployment on a daily basis. Young people who do not develop good work habits often develop poor personal habits.

Our teachers see it in the classroom;
Our police officers see it on street corners;
Our social service workers see it at our welfare offices;
Finally, our correction officers see it on the job, day after day.

Combining training, education, guidance, apprenticeships and a variety of employment opportunities to youth is the best possible way to combat youth unemployment. We simply must tie education to training, and training to available jobs. For the program to succeed, a great deal of cooperation is needed between this Committee, the Department of Labor, local governments, young people, adult workers, and their unions.

Cooperation requires some give and take between those who have jobs and those who want jobs. We cannot allow the wage and job protections that we have won for our members at the bargaining tables to be taken from us in a legislative conference room. On the other hand, I cannot stand by and watch my members children lose hope in society because they cannot find work.

If all sides listen to each other and take each others needs into consideration, the chances for the goals of this bill to succeed will be enhanced. We are certainly willing to work with you.

We have proposed solutions to the problems that CETA legislation offers:

(A) Youth projects are more preferable than youth programs

"Projects" are short-term work assignments that are more beneficial to youth workers that "programs."

Title VI of CETA follows the project approach and specifies that the work to be performed with federal funds "would otherwise not be done with existing funds." Youth "programs" do not have such a protection.

The importance of work "projects" is that it follows the intent of Congress that CETA youth employment not substitute federal funds for other funds or impair existing contracts.

The advantage of "projects" over "programs" is that all proposed projects must be described in specific detail, including job description, wage rates and levels of supervisory personnel. Projects can be approved or disapproved by the Department of Labor on an individual basis. Each project is also sent to the local CETA Planning Council for recommendations and comments.

By treating each project with a detailed review, the possibilities of fraud and CETA law violations are reduced.

(B) Contracting out protections need to be tightened

One of the present youth employment programs already has a provision that prohibits any CETA program operator from providing public services which previously were provided by a political subdivision.

This protection needs to be extended to all youth programs, not only to limit contracting out as a substitution device, but to encourage the creation of new jobs for youth instead of moving them into existing jobs.

The protection does not infringe upon either youth workers or their employers. It simply prohibits a political subdivision from allowing any non-government entity to use CETA money and CETA youth workers to do work which is customarily provided by the political subdivision.

(C) Sanctions

It is important that the youth programs not be subject to fraud and abuse and that the fiscal integrity of the program be maintained.

The adult public service employment program has a sanction if currently employed workers are displaced by CETA workers. The sanction is that repayment of misspent funds from non-CETA source can be ordered.

A similar protection would help strengthen the youth programs by removing any economic incentive to displace adult workers with youth workers at minimum wage.

Along with the other suggested changes, this proposal would help insure that CETA youth programs are geared at job creation, rather than worker displacement.

(D) Supervisors

The importance of competent, well-trained supervisors cannot be understated. Good management and leadership is essential to provide meaningful work experiences for youth workers.

Quality supervision must be provided. We cannot have real training with poor supervisors. Supervisors must be able to teach both job skills and proper work attitudes and habits.

The setting up of a separate fund of money to provide for special training for the supervisors can be helpful. This would enable more of the Title IV money to be spent on youth workers, rather than using the funds for administrative and supervisory personnel costs.

(E) Education and literacy must be emphasized

Along with job training, educational skills including literacy, must be required. We are fooling outselves if we were to do otherwise.

No CETA worker should be allowed to complete his or her training without being certified as functionally literate, thus allowing him or her to compete for scarce jobs on a fair basis.

Our unions are very concerned and are very interested in helping the CETA youth programs succeed. We hope you will allow us to work with you in developing the best possible bill. The bill should help young people but not at the expense of exploiting adult worker jobs.

The problem of youth unemployment is a tragic one. The cooperation of government, unions, and community organizations is needed to alleviate the problem and to find the best possible method to employ our young people. Our suggested legislative changes will strengthen the guarantees of the CETA Youth Bill.

STATEMENT OF VICTOR GOTBAUM, CHAIRMAN, MUNICIPAL LABOR UNIONS OF NEW YORK CITY, EXECUTIVE DIRECTOR, DISTRICT COUNCIL 37, AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES

Mr. GOTBAUM. As a labor leader, I really refuse to allow you, Mr. Hawkins, and Ted Weiss, to be humble. I noticed that in your opening remarks, you mentioned the legislation that your subcommittee has put forward. I would like to acknowledge that work and also congratulate both of you for your work in the communities you represent.

In the last years and months, Ted has been nothing short of monumental in working with the New York City unions on CETA, on youth, on average wages and the other kinds of things you are trying to do legislatively.

Mr. JEFFORDS. I was recently in Vermont. My wife and I were at the home of State Legislator Ann Just, who mentioned Vermont's youth problem. The sense that one gets from these kids is that they keep coming in, hopeless, almost hopeless, looking for jobs, and ending up on the welfare rolls, creating, as one might expect, an animosity with the rural people.

In a very real sense, we share the universality of the problem, and that is, that youth are looking for work in Vermont and in New York and throughout the United States.

I am not going to read from my prepared script because I find after a while you begin to believe your own stuff, and that is dangerous.

About 10 years ago, I was on a Task Force of the Twentieth Century Fund. It was a task force on minority youth and the unemployment problem. The statistics were magnificent. They were magnificent then, and they are consistent now. What did they reveal? Specifically; if there is a 5 percent white adult unemployment, there is usually a 10 percent minority adult unemployment, a 20 percent white youth unemployment, and then about a 40 percent minority youth unemployment.

These statistics are not new. A couple of decades later, with very old statistics, we find the same pattern holds true. Yet, we are enamoured with our own chivalous morality; we are always finding some kind of new panacea for the minority youth problem. We also find all sorts of excuses for youth employment for example:

If we increase the minimum wage, kids are not going to get a job. That is nonsense. Young people did not get jobs when the minimum wage was much lower.

We find that it is also convenient to blame youth unemployment on undocumented aliens. If we did not have Hispanics and others looking for a decent way of life here, more youth would get jobs.

We now have a new scapegoat—women. Due to the women's liberation movement, more women are coming into the work force and, therefore, young people can't get jobs.

I would say to you that all these reasons are utter nonsense. I regard youth unemployment as a structural defect in our work force and national unemployment policy. It has nothing to do with these singular aspects. Youth unemployment is something that has been with us for decades.

This union has been working on it. We may well be the only union in New York City that has a youth auxillary for the children of our members. We set up job fairs for the youth. They come in, and we teach them about what is available out there in the economy. We do special testing, and training for testing, for SAT's and others.

As you know, Congressman Weiss, we have good community relations. We have memberships in the neighborhood associations, and we work there.

This union has been very active with CETA workers, also. We have been doing quite a bit—and Ron Gault alluded to it—in the CETA program, which I submit is neither comprehensive, does not guarantee employment, nor give training. Regrettably all of the nomenclature does not seem to fit the practical applications of the law.

I would like to briefly appeal to you to look at the CETA waiver provisions. There is nothing more frustrating, nothing more difficult, than to give a worker aspirations, and then cut them off.

You give somebody hope, and then beat him down. It becomes a monumental tragedy. That is really what we have done with the CETA program.

An interesting thing occurred when the waiver deadline arrived. This union took a double throw. First, we asked that CETA workers be given noncompetitive status within the civil service regulations, so they could get first crack at the jobs they have been doing for years. I regret to say that the mayor refused to go along with that.

The second effort was in the area to which Ron Gault alluded. I met with Walter Wriston, this new-found liaison between the unions, the banks, and industry. Not only did Wriston respond to our request, but the mayor responded, as did the private industry council. By virtue of this cooperation, we have been able to cut down on those 2,000 CETA workers who would lose jobs on October 1. Something like 50 to 60 percent have been able to get a job.

Now the compelling aspect here, and why I would appeal to you in terms of the influence you can possibly exert is that we need time. If the waiver is extended, because we have gotten a nice foothold, I really believe we can find jobs for the rest of the CETA workers. I feel very strongly about this, and I would hope that you would look at a waiver extension very carefully, because this is a monumental change that you are implementing this time.

I would also ask you not to get hung up on what Ron Gault mentioned. And let me disagree with him on this. I don't think one ought to separate the private sector and the public sector; it is necessary to look at the economy as a whole. You are just making a terrible mistake when you don't do that.

The public sector right now is 20 percent of the gross national product, and to take that piece of action and extricate it is a serious distortion. One has to look at what contribution the public sector makes within the economy, and despite proposition 13 mentality, the public sector is going to grow. This is not because labor unions are avaricious and want more members. Quite the contrary.

I think what should be understood is that the public sector is a growing part of the economy. Government needs to regard it in such a manner. We ought to stop this nonsense about it being the employer of last resort, and stop demeaning the public sector as though it had no meaning. This is not to diminish the importance of the private sector; but it is to understand the integration of the public sector within the total economy, as well as the recognition of the public workforce as major contributor is essential to solving our unemployment problems.

Let me state, in terms of the total economy, nothing seems to escape us more than the obvious. New York is not ever going to be an industrial economy. We are reflecting the basic trend of the overall national economy. We have gone from an agrarian to an industrial, to a service culture. And different kinds of skills are needed. You are going to find the need for more computer, office, and administrative skills. You are going to find the need for hotel management, and hotel services. This is what is coming on the scene here in New York.

Young people are not prepared for the forecasts, and they are not prepared for two reasons. First is a structural one, and it is a terrible lack of education. Many of the young people are functional illiterates in terms of basic skills—reading, writing, and arithmetic—and to get the training, you need those skills. So I would ask you to look at educational quality.

Second, training for the anticipated job market is simply not available through CETA programs.

In terms of what your bill is looking at—and that is getting more jobs for young people—I like the project approach. We think that it can be defined. We think that it can be meaningful in terms of what one does with projects.

What this union would suggest is to consider projects right where the young people live. In this case, you get a double bonus. Not only is it meaningful employment in the sense that they are working, but they can see that they are doing something right within their own community, able to contribute and be rewarded by peer recognition. Moreover, those communities from which we draw many CETA workers are those most in need of municipal services, and those least likely to receive them.

Finally, let me state that I am terribly gloomy about a society that can accept millions of adults as unemployed. It is not the kind of society that is going to be concerned about the unemployment situation of the young. It just is not. We take an attitude toward the tragedy of unemployment that is nothing short of shocking.

In the New York City fiscal crisis, layoffs, and cutbacks are presented as a statistic. Nobody focuses on what happens to the human being, the laborer who was laid off, who came to my office and talked about, "Vic, I can't pay the mortgage. I have got a little house in Staten Island, and I can't pay the mortgage." Then the man breaks down and cries.

A hospital worker, a woman, walks in, a member of a minority, and proud that through union training she had become a practical nurse. Her job is cut out. Her whole career down the drain. It is not a statistic. It is a human tragedy.

Kids, youth, aimlessly looking for a piece of action, wanting something to happen to them. I think that we have to convert our unemployment policy so that it reflects the human understanding of what joblessness means to them, and what their joblessness means to society.

There has to be something rotten when the most affluent country in the world looks at massive joblessness and does not even begin to comprehend it. What existed 20 years ago, still exists today.

To all of you, I am begging and hoping, that attention is paid. I pledge my union's resources toward that end.

If there are any questions, I will be glad to answer them.

Mr. **Hawkins**. Thank you, Mr. Gotbaum. I am sure that there will be some questions.

Mr. Weiss?

Mr. **Weiss**. Thank you, Mr. Chairman.

Mr. Gotbaum, individual, as the leader of the District Council No. 37, has been responsible, for some of the really constructive efforts that have been made in looking at the problem throughout this area, and at ways to provide some clear sighted look at what is going on, not only in the field of jobs, but his council is also involved in matters of education.

The District Council 37 has one of the most effective higher education components for adults for the members of the union, and the children of the members of the union.

I remember a meeting at your office within the last 4 weeks, and the point that you made as to what happens to people who are given hope, and then suddenly it is yanked out from under them.

We met with a group of CETA members and representatives of CETA members, and there was absolute rage in that room, rage coming out of bitterness and frustration. They hold a job for a couple of years, and then all of a sudden there is goes. It is not there anymore.

I know that you are aware of the efforts that we have been making with your support and leadership to try to get the Department of Labor to reallocate moneys which have not been used in other parts of this country under the CETA program. There is anywhere from one-half billion to $1 billion that should have been allocated to areas of high unemployment. I know that it would not meet all the job requirements, but it would go a long way toward filling the jobs that are ready to be terminated.

I wonder if you have any comments as to what your experience has been with the Department of Labor's lack of responsiveness to the availability of this money in dealing with the problem that we are focusing on.

Mr. **Gotbaum**. I have always believed that the best way to have good intentions is through rationalization. As you know we made that approach to DOL in terms of the congressional appropriation. It seemed to us that the whole intent of the effort was to be able to shift CETA money to wherever it was needed in the country. DOL blames lack of action, on you, on Congress. We don't know why, and we cannot see it.

What we do get is an indecent attitude. DOL does not recognize the full impact and the meaning of what these funds could have in terms of human beings.

The people who are out of their job do not know about the law. They do not read the legislation. All they know is that they had a meaningful job, their work is needed, but now they are out. They are out because funds are cut back, and regulations are promulgated.

Mr. **Weiss**. We have been after them for almost 2 months because it has been clear that the money is not coming back. If they are going to reallocate something, they are going to do it after the individual employee lost his job because there is that October 31 deadline that we are facing.

It may be 1 day, or 1 week after someone will be told, "OK, your job is there." It is just unnecessary harshness and cruelty on the basis of bureaucratic wishy-washy handling of this problem.

Mr. **Gotbaum**. One of our people had a rally and took a group of 350 CETA workers into the regional labor office. The frustration it just burst out. If the woman had not cooled it, I don't know what they would have done.

These CETA workers will be going back into the community, after being treated like dirt. No one knows what they will do. I don't know what is worse, the pent-up anger breaking out, or the sense of helplessness, and going back and getting lost. It just awful.

Mr. **Weiss**. Thank you.

Mr. **Hawkins**. Thank you, Mr. Weiss.

Mr. Jeffords?

Mr. **Jeffords**. Thank you, Mr. Chairman.

Let me say, I admire you for the position that you hold. I don't think that there is a more difficult job in the country, except for Major Koch's with whom you must battle from time to time for increasing the number of jobs, and the considering the tremendous pressures on the property tax system. It is commendable for you to be able to come here and take a responsible position, when there may well be competition for jobs among your own members.

I do find that you have identified some interesting problems that we have. Certainly, the job identification, so that people can find a job in the future, is an important one.

Being one of those who are probably an instigator of some of the reforms that came out, with which you were probably not the happiest, I would like to give you some of my views.

The reason, of course, for the cutting off in periods of time of people working under CETA was because of the substitution problem. In your written testimony, you point out that the CETA job should not be a substitute for jobs of your union members, but rather should be for training people or to help the people to become trained for jobs. So I find this a little bit of a conflict.

As for your feeling that we ought to extend waivers, and not cut people off, I want to say that we are only serving one out of five in the CETA program on a national average. So if it is true that you give hope, and then cut it off afterward, there are four other people who would not have any hope at all, if you did not bring them into the CETA program and give them an opportunity to receive some training.

Perhaps you would like to comment on that.

Mr. **Gotbaum**. Surely. I have to look at the job as a practicality, Congressman. I have to look at what is there. Let's just take one example. New York City has a work force in the department of parks of approximately 4,500, of which 2,200 are CETA workers. They have been there for almost 2 years—and some of them more—doing a job. All they know is that they are needed, that they are doing the job, and they are getting trained on the job for that particular job.

So we have made 2,200 people whole. They have a meaningful job. Gordon Davis, who is the commissioner of parks, is delighted with them. Now, they face the cutoff date. Where are they going to go?

They have not been trained for park work outside. They have really trained them to do a good job for the city and they are doing it. Now they are meaningful members of society. They are bringing home a paycheck. They feel good, they feel damn good.

Then, they are told: "You go out into a faceless society and 2,200 people will take your jobs, and they will face this in 18 months." If you look at it practically, it means that 2,200 people who are now wage earners will be cut off. The frustrations will be monumental. You are bringing in 2,200 more people—and it may be less because the funds have been cut back—who then will build up the same kind of identification with the job, and when they are whole, they will be put through the revolving door. Instead of saying, in terms of this particular situation, these are now 2,200 meaningful citizens of society. Let's latch on to them. Let's keep them whole and embrace them.

You are not really doing that. If you are going to deal in theory, I can be the world's greatest theoretician. But in actuality, you have not trained them. It has not been comprehensive employment; it has been training on the job that they hold, and where they are needed. And now they cannot have that job.

I spoke to Commissioner Davis about this, and he said: "Vic, I am going to quit. I don't know if I can stand it." This poor man worked day and night with the union training 2,200 people, and he is as frustrated as the union is because they will be walking off the job. He has got to train 2,200 more to go out in this meaningless fashion also.

Mr. **Jeffords**. This brings us into the other area of conflict, because we have the same problem. That is the projects approach which you referred to. Generally, you have people who are working on jobs which are not really training for jobs that are available in the private sector. Then, when they are trained, they don't have the jobs to go into.

The problem across the country is that we don't have the ability, apparently, to train people to go into the private sector where the jobs are available. This is more difficult in your area, where you have a declining number of jobs available. So you are pointing out the very problems that we have to deal with.

We are training a lot of people for jobs which are not available. We are not training people for jobs that are available, as you pointed out earlier, and it is a tremendous dilemma. It is our job to train people for jobs that are available, and to keep them employed.

Mr. **Gotbaum**. I think you very wisely answered your own question. I say this in agreement with you.

In terms of this union's involvement in obtaining jobs, as Congressman Weiss mentioned, I will literally work with anybody. I make no bones about it, because I regard as no greater tragedy than a human being who cannot work. So we have been working with the banks, and with industry on this.

New York does have jobs. We have jobs that go begging. You can't find computer people. You can't find keypunch operators. There is a tremednous demand for administrative skills.

In discussing this with Riston, the PIC people, and others, I stated that all elements of society have to key into this. We have great community colleges here. We have got a great city university system. We have to stop kidding ourselves. We have got to train our young people in terms of what is available. The make-work job that will be transitory is not going to resolve the problem. Hell holds no greater fury than a worker without work. Giving them hope is murderous if there is nothing at the end of it.

What we have to do is to put all of our resources into an examination of the local economies, the national economies, where it is going, what jobs are open, what kind of training is needed. What makes New York salutory in this regard, while on the one hand we have a 9.2-percent unemployment rate—that is not youth, I am talking overall unemployment—we have the facilities, the ability, the growth potential of taking young people and adults and moving them into jobs that are permanent. But quite candidly, we did not get the resources out of CETA to be able to do it.

Mr. **Jeffords**. Thank you very much.

Mr. **Hawkins**. Thank you, Mr. Gotbaum, for a very excellent statement.

The Chair would like to also, as an aside, express its great appreciation to your union for the honorable service of one of your staff members, Ms. Julie Domenick, who for a long time worked for one of the other subcommittees under the full Education and Labor Committee. She has extended a great deal of cooperation and excellent work to the subcommittee, and we deeply appreciate it.

Mr. **Gotbaum**. I thank you.

Mr. **Hawkins**. I understand that the Reverend Leon H. Sullivan is not present at this time. We will skip that scheduled witness and go to the next witness, Mr. Thomas R. Farrell, staff director, youth employment programs, Community Council of Greater New York.

Mr. Farrell, we are delighted to have you before us today. Your statement has been presented to us, and without objection it will be made part of the record. You may proceed to give us the highlights from the statement itself.

STATEMENT OF THOMAS R. FARRELL, DIRECTOR, YOUTH EMPLOYMENT PROGRAMS, COMMUNITY COUNCIL OF GREATER NEW YORK

Mr. **Farrell**. Good morning, congressional representatives, distinguished guests, ladies and gentlemen.

My name is Tom Farrell, and I am the director of the youth employment programs at the Community Council of Greater New York. I am also the chairperson of the youth council of New York City's Employment and Training Planning Council.

The Community Council of Greater New York has been involved in operating youth programs since the mid-60's. We have administered citywide youth employment programs under title II through out-of-school contracts for young adults who have dropped out of school and summer youth employment programs providing work experience to youngsters during the summer months.

In 1978 we launched a youth employment monitoring project which observed and reported on the progress of the YCCIP and YETP activities. This final document was shared with the New York City Department of Employment, the U.S. Department of Labor, and with congressional leaders.

The comments in our testimony today will be limited to specific suggestions which come out of our experience in operating work experience programs under title II and in observing other employment programs under title IV. These concerns should be addressed in reauthorization legislation, as well as in the development of other youth employment legislation.

One: Mandated coordination of youth employment programs: There should be mandated coordination of all CETA youth employment programs. Similar income eligibility criteria and similar regulations and guidelines should be developed. Coordination of various youth employment programs should be centralized and fragmentation of such programs should be minimized. Presently, youth employment programs exist under title II and under title IV and under title VII. These separate titles add to the difficulty in coordinating program designs and encouraging a continuity of service of youth from one title to the next.

Two: Lateral training opportunities: The legislative provisions should recognize that economically disadvantaged young adults come to a youth employment program at various stages of readiness and that consequently these young adults need different types of training opportunities. Employability development plans should be designed around the needs of the young participants. Current legislation does not allow employability plans to be written wherein participants may be transferred from one kind of program to the next in any kind of a sequential and organized fashion.

Three: Elimination of a 1,000-hour work experience limitation: The imposition of the 1,000-hour work experience limitation should be deleted from the reauthorization legislation. High risk, hard-to-employ, young participants oftentimes need more than 8 to 9 months of full-time work experience. The 1,000-hour limitation is getting in the way of placing and maintaining young adults in necessary employment programs. For example, under existing regulations, if YCCIP participant wanted to transfer into a title II out-of-school program to work toward his high school equivalency program, and work part time, such a transfer would not be allowable.

Four: Involvement of remedial education: The YCCIP contract and any other youth work experience program should have legislative provisions to allow such participants to spend time in job-related educational activities and time to study for the high school equivalency diploma. Presently, young adults in the YCCIP program who need remedial education are oftentimes being denied this necessary training.

Five: Private-for-profit training opportunities: Inadvertently, current provisions of title II and title IV youth experience programs deny certain kinds of work experience activities to young participants. It is easier for CETA youth participants in a title II or title IV program to learn about sales, marketing, and small business entrepreneurship on the streets of the inner city than it is to learn about it in title II or title IV.

Employability development plans cannot be implemented through work experience opportunities if a youth is specifically interested in learning about a career unique to the private for-profit sector. Private for-profit work experience should not be relegated only to title VII.

When 80 percent of the population is in the private for-profit sector, it is imperative that any and all youth programs in title II, title IV, and title VII be allowed to develop work experiences in both the private for-profit and private nonprofit sectors.

If exploitation is a problem to Congress, objective criteria should be instituted to allow for companies to trade their unpaid supervision of such youth in exchange for helping the company derive a profit while the youth are receiving training.

Six: Participant incentives: Young adults in work experience programs often need incentive to stay on the job. Legislative provision should specifically allow such wage incentives as incremental wage increases, merit wages, or annual bonuses, when such increases or payments could provide positive reinforcement to participants. Such moneys could be earmarked from existing allocations if the allocation to the prime sponsor cannot be increased.

Seven: Defining successful placement: entrance into "subsidized employment" and entrance into other "training programs" should be allowable termination activities under "other positive" terminations. Currently YCCIP participants are not encouraged other training, even if the other training meets the needs of the participant, and is part of the YCCIP development plan. YCCIP contractors are only allowed to count direct jobs as successful terminations. As mentioned earlier, it makes sense to place high-risk, hard-to-employ young adults in training opportunities based on their employability development plans.

Eight: Vocational exploration: Youth programs should enable young participants with little or no vocational experience the opportunity to learn about the world of work by observing and visiting a variety of job sites in the private for-profit sector. As regulations stand now, job exposure and vocational exploration are prohibited activity under title II, are highly unlikely activity under title IV, only under special Department of Labor discretionary funding, and is an allowable activity under title VII.

Consequently, the same kinds of young adults with similar needs in understanding careers in business and industry are discriminated against in title II and IV youth employment programs adminstered by the prime sponsor. While the vocational exploration program or VEP as it is commonly known allows for a few hundred youngsters in New York City the opportunity to spend their summer learning about various careers through on-the-job work exposure activities, thousands more youngsters should be provided with this similar kind of project either by the prime sponsors' expanded funding of VEP or by increasing the contractors who would sponsor job exposure programs. Such exposure programs should be allowed under title II and title IV.

Nine: Linkages with private industrial councils: All youth employment programs should have access to the private business sector. Presently, title II and title IV programs are not allowed the freedom, to develop programs with the private business sector, work sites where they are allowed to train. Linages with the private business sector should be opened for all youth programs. The Private Industrial Council should not be designing special programs with business only under title IV. There should be extensive experimentation under title II and title IV as well. In addition, all work that the private industry council does for the youth population should be shared with the prime sponsor's youth council.

Ten: Altering performance criteria: Federal legislative provisions and accompanying regulations should recognize clearly that the level of performance in job placements needs to be directly related to the kind of youth being serviced. Legislative provisions should spell out that contracts servicing low risk youngsters with relatively few job readiness problems should be placed more frequently on jobs than high-risk adults. For example, performance of young adults on public assistance and young adults referred from courts and probation departments will generally not be as high as the average youth population.

Eleven: Readjusting the YCCIP funding formula: The 35 to 65 ratio used in YCCIP contracts is inadvertently causing program operators undue administrative hardships and guaranteeing that some contracts cannot meet the needs of the target population without in-kind contribution from each of the project sponsors. This formula should be used as a guide, but should not be mandated to be followed in all cases.

Twelve: Breaking down sex stereotypes: Special moneys should be set aside in the all youth employment programs legislation to fund media campaigns on behalf of the Department of Labor which would help break down the sex stereotypes that young female and male young adults have in understanding various kinds of professions. Special recruiting efforts need accompanying mult-media material to show contractors and young adults how our identification of one or the other sex with certain professions is no longer appropriate.

Thirteen: Adminstrative costs: In a time of high inflation, it is becoming increasingly difficult for prime sponsors in geographic areas with high costs of living to adequately service young participants without increases in allocations for supplies, rent, and wage increases. Without taking money from the young participants, methods must be found to provide more dollars to prime sponsors and to contractors so that they can do a decent job in operating projects. Allocations to the New York City area should be increased so that staff and budget may be able to service the young adults more adequately.

In conclusion, I would like to thank the representatives of the House Subcommittee on Employment Opportunities, particularly Congressman Ted Weiss and his staff, for taking the leadership in designing legislation for unemployed youth. It is our hope, as the youth programs are expanded in size and scope, that they can be designed with the interests and needs of the youth in mind.

[The prepared statement of Thomas Farrell follows:]

PREPARED STATEMENT OF THOMAS R. FARRELL, COMMUNITY COUNCIL OF GREATER NEW YORK, NEW YORK, N.Y.

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In 1978 we launched a youth employment monitoring project which observed and reported on the progress of the YCCIP and YETP activities. This final document was shared with the New York City Dept. of Employment, the U.S. Dept. of Labor and with Congressional leaders.

The comments in our testimony today will be limited to specific suggestions which come out of our experience in operating work experience programs under Title II and in observing other employment programs under Title IV. These concerns should be addressed in reauthorization legislation, as well as in the development of other youth employment legislation.

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2. Lateral training opportunities

The legislative provisions should recognize that economically disadvantaged young adults come to a youth employment program at various stages of readiness and that consequently these young adults need different types of training opportunities. Employability development plans should be designed around the needs of the young participants. Current legislation does not allow employability plans to be written wherein participants may be transferred from one kind of program to the next in any kind of sequential and organized fashion.

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4. Involvement of remedial education

The YCCIP contract and any other youth work experience program should have legislative provisions to allow such participants to spend time in job-related educational activities and time to study for the High School Equivalency Diploma. Presently, young adults in the YCCIP program who need remedial education, are oftentimes being denied this necessary training.

5. Private-for-profit training opportunities

Inadvertently, current provisions in Title II and Title IV Youth Experience program deny certain kinds of work experience activities to young participants. It is easier for CETA youth participants in a Title II or Title IV program to learn about sales marketing and small business entrepreneurship on the streets of the inner city than it is to learn about it in Title II or Title IV. Employability development plans cannot be implemented through work experience opportunities if a youth is specifically interested in learning about a career unique to the private for-profit sector. Private for-profit work experience should not be relegated only to Title VII. When 80% of the population is in the private for-profit sector, it is imperative that any and all youth programs in Title II, Title IV and Title VII be allowed to develop work experiences in both the private for-profit and private non-profit sectors. If exploitation is a problem to Congress, objective criteria should be instituted to allow for companies to trade their unpaid supervision of such youth in exchange for helping the company derive a profit while the youth receive training.

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11. Readjusting the YCCIP funding formula

The 35 to 65 ratio used in YCCIP contracts is inadvertently causing program operators undue administrative hardships and guaranteeing that some contracts cannot meet the needs of the target population without in-kind contributions from each of the project sponsors. This formula should be used as a guide, but should not be mandated to be followed in all cases.

12. Breaking down sex stereotypes

Special monies should be set aside in the all youth employment programs and legislation to fund media campaigns on behalf of the Department of Labor which would help break down the sex stereotypes that young female and male young adults have in understanding various kinds of professions. Special recruiting efforts need accompanying multi-media material to show contractors and young adults how our identification of one or the other sex with certain professions is no longer appropriate.

13. Administrative costs

In a time of high inflation it is becoming increasingly difficult for prime sponsors in geographic areas with high costs of living to adequately service youth participants without increases in allocations for supplies, rent and wage increases. Without taking money from the youth participants, methods must be found to provide more dollars to prime sponsors and to contractors so that they can do a decent job in operating projects. Allocations to the New York City area should be increased so that staff and budget may be able to service the young adults more adequately.

Mr. Hawkins. The Chair would like congratulate you on a very excellent statement. It is well prepared, and specifically directed to some of the shortcomings that have been involved in this program. I think you have given to the committee a great number of areas to attempt to make the various changes that you have suggested. It is a very helpful statement.

Let me congratulate you and the members of your council for the energy that you have put in this statement. It will be very helpful to the committee.

Mr. Weiss.

Mr. Weiss. Thank you, Mr. Chairman.

Mr. Farrell, the youth employment monitoring project which was performed by the Community Council of Greater New York, was that done on the basis of a contract with the city, or the Department of Labor?

Mr. Farrell. It was done through private funding, with foundation money.

Mr. Weiss. I want to express my appreciation and that of the subcommittee for the work that you have done. It was a tremendous objective effort to see how the program works in real life as an indication of how we think it will be working when we put it down on paper.

Again, I think the summarization is excellent. I don't know if you have sent copies of the full report to all members of the subcommittee, but if you have not, I think that it would be very, very worthwhile. We would appeciate it very much.

Mr. Farrell. I will be happy to do that.

Mr. Hawkins. I don't believe that copies of the full report have been submitted to all the members of the committee. When that full report is submitted, Mr. Farrell, it will be made available to the other members.

Mr. Jeffords.

Mr. Jeffords. I would like to say that this is one of the most excellent statements that I have heard. I know that we will be reviewing your full report in great detail, because you have touched on some very vital problems.

We thank you very, very much for your statement.

Mr. Hawkins. If there are no further questions, we thank you, Mr. Farrell.

I see Rev. Leon H. Sullivan is now present. Reverend Sullivan, the committee would appreciate it if you would present your statement at this time.

Reverend Sullivan, we want to express the appreciation of the subcommittee for the leadership that you have exhibited in the field of employment, in general, and youth employment, in particular, and to say that for a great number of years you have been a great inspiration to all members of the committee, and to the Chair, in particular.

At this time, I want to recognize that you have recently launched a nationwide campaign in the same area that is now being explored by the subcommittee. We join hands with you. We certainly offer to you full cooperation with the great efforts of the OIC, and we hope that as we continue to work together, we will have your constant counsel and, obviously, you will have the support of the subcommittee.

We are delighted to have you present with us in the city of New York. I am sure Congressman Weiss would like to welcome you to his congressional district, and the Chair will yield to the Congressman at this time.

Mr. WEISS. Thank you very much, Mr. Chairman.

I do very much appreciate your being with us, Dr. Sullivan. I know that it is done at some expense to your schedule, and we are very grateful to you and your associates for making the trip, and sharing with us the benefit of your experience.

Mr. HAWKINS. Dr. Sullivan, we hope that you will identify your associates, who are seated with you at the witness table.

Reverend DAWKINS. Mr. Chairman, my name is Maurice Dawkins. Dr. Sullivan asked me to introduce the people who are with us.

Mr. HAWKINS. Reverend Dawkins happened at one time to be my own minister in the city of Los Angeles. I don't know whether we can say that your migration to the East is reversing the trend, but I want to indicate at this time that we consider it a great loss to the city of Los Angeles.

Reverend DAWKINS. Thank you, Mr. Chairman.

You should know that the chairman was a member of the board of trustees of the church that I pastored, and he paid my salary. So I have been eternally grateful to him.

Mr. Moltsby is the executive director of our Westchester County OIC, and he will introduce the people with him.

Mr. MOLTSBY. Mr. Chairman, with me to my right, we have a representative from Congressman Ottinger's office, Ms. Joan Thornton; sitting to Reverend Sullivan's left, the board chairman of the Westchester County OIC, Rev. Roscoe L. McLaughlin.

Mr. HAWKINS. We welcome you all.

[The prepared statement of Reverend Sullivan follows:]

PREPARED TESTIMONY OF REV. LEON H. SULLIVAN, CHAIRMAN OF THE BOARD, OPPORTUNITIES INDUSTRIALIZATION CENTERS OF AMERICA

I have come to be with you this morning to share my views regarding this danger in the hope that this sub-committee will get the entire House Education and Labor Committee to "sound the alarm" in the Congress and use the occasion of the need for reauthorization of Youth Legislation to call attention to the nation that now, not later, is the time to concentrate on Jobs and Training for America's Youth.

I say to you gentlemen that our nation is in trouble . . . and not only with the Energy, Inflation, unbalanced budgets, unemployment, unfavorable balance of trade, a Cuban crisis, a Middle East conflict or O.P.E.C. oil.

No, the Nation is in trouble, because of the uncontrolled, unbelievably underestimated danger of rising youth unemployment . . . the nation is in trouble and something has to be done about it now!

I have just completed 60,000 miles traveling across American Cities, Hamlets and towns in the West and Southwest, East, North and South, and what I have seen has been something that I have not witnessed since the riots of the 1960's—alarming numbers of idle youth on street corners, jobless, hopeless, frustrated, and smoldering like red hot coals.

Something has to be done to put these young people to work in a productive way or we will have trouble in our cities. The red hot coals will be fanned into flames in our cities and neighborhoods.

The cities and neighborhoods are already in trouble, marked by urban blight, deserted and broken down buildings, vandalized schools, and crime ridden streets—our neighborhoods remind me of bombed out areas in France, Britain and Germany after World War II. They have been bombed out by poverty, bombed out by racism, welfarism, alcoholism and pessimism. They have been bombed out by neglect, unemployment, drugs, crime and delinquency—bombed out by hoodlumism—by slumlords; and every conceivable form of exploitation and humiliation.

Yes, our nation is in more trouble than anyone seems to realize because the red hot coals of unemployed youth cannot help bursting into flames when the gasoline of that long list is poured directly on them—day after day, week after week and month after month.

Surely such dangers could destroy the very fabric of our country and undermine the moral and spiritual value, of our democracy. Imaginative movie-makers have recently produced frightening scenes of rioting, looting, vandalizing, terrorizing, teenagers and sub-teenagers that make our fears of adult urban guerrillas pale in significance.

The increasing number of crimes, rapes, robberies, extortion and murder cases attributed to youth, is beyond belief. The horrors depicted in newspapers and television of roving bands of angry young people assaulting and mugging adults of all ages, and especially senior citizens (including congressmen as well), such happenings have moved just down the block and, sometimes right next door.

We are in trouble and ordinary plans for legislation will not get the job done—ordinary task force recommendations, despite the best of intentions, will not get the job done that needs to be done. We need extraordinary legislation, extraordinary mobilization of national resources by the executive branch of the Federal Government; we need an extraordinary commitment and involvement from the private sector and we need extraordinary effort on the part of Community Based Organizations as intermediaries between Government and Business—Business and labor and the people themselves.

We need an all-out effort—an effort that is the equivalent of a war effort—we need to "declare war" against the sources of this trouble. We need to declare war vs joblessness, hopelessness and despair that are all a part of the mounting unemployment youth tragedy!

I came to you today because I want you to help make this happen. I want you to help those of us who have already launched our own war vs youth unemployment: (By getting a million Americans to sign petitions to the President and the Congress—by getting businesses who work with us to pledge jobs and help us fulfill a commitment to take a million young people off the street corners and put them in jobs). We need your help to put these plans and more into effect that would mobilize our government at Federal, State, County and City level, mobilize our total business community—big business, middle sized businesses and small businesses.

We need to mobilize America in the Religious Community—Catholic, Jewish, Protestant, Theist and Humanist—All faiths and all persuasions.

We must mobilize the people of America at the grass roots level. The middle class level and the upper-class level. We must mobilize to meet this problem today, recognizing that it is a national crisis—that our cities may be set on fire, our lives and property endangered, our society radically changed as we give up more and more freedom and democracy in exchange for more security and protection under autocracy—more "law and order" to put down "Civil Disorder".

The Crisis we face today is as great a crisis as we faced when we were confronted with the Nazis under Hitler. As we mobilized to meet that crisis, going all out—enlisting every citizen in either civilian or military or volunteer duty—so we must today use every resource to get all Americans involved and committed.

Americans must come to realize that it is not SALT treaties or inadequate nuclear strike capability or M-X missiles on race tracks or lack of strong armies, navies and air forces that will cause our down fall—but failure to pay attention to our youth crisis on our streets.

The Congress must alert. We must, all as citizens, Alert our fellow and sister citizens to the harsh reality that the soft under belly of America . . . the Archilles Heel of the nation is not to be found in shortcomings in national defense or the Central Intelligence Agency.

We must alert the Nation's Leaders to the fact that we can only be destroyed if we fail to see the danger lurking in the shadows of rising youth unemployment rate, the joblessness, hopelessness, and despair on the inner city street corners, in the back alleys, the bars, pool halls, playgrounds, and pockets of poverty in rural and urban America!

It is against this background that I have appealed to the president of the United States. It was against this background that I called for a War on Unemployment and launched a Help our Youth Campaign with Youth Job Rallies in 200 Cities where we have OIC operations and interest groups. It is against this background that I challenged the President. I like much of what he has done. I appreciate the work that he has authorized under the direction of His Domestic policy chief, Mr. Eizenstat and his cabinet members.

I understand his dilemma in the face of social and economic forces that seem to be beyond his control—I have studied his plans for public works and economic development, rural revitalization, Housing and urban development—Job creation efforts through energy and transportation environmental and defense departments.

I have served since 1974 on the Employment and Training Commission and I know of the policy issues, the debates, the arguments that would effectively cut the nerve of any all-out effort to concentrate on youth employment—and yet I felt compelled to say to the President all that is now being done is not enough. All that is on the Drawing Boards is not enough.

The crisis we face today will become a disaster tomorrow. Unless we face it as a national emergency! The threat of the grim reaper that stalks unemployment lines in the 1970's and on into the 1980's require the same kind of warfare that we declared in the 1940's to defeat nazism.

I must say that it is good to have President Carter indicate his personal support for a war on unemployment. I believe the President is sincerely willing to do his part—to respond to the challenge . . . But he cannot do it by himself—we all have to help him—we are not doing enough—I told the President he was not doing enough. It is equally true that we are not doing enough!

I am a Minister and I can say without fear of contradiction that we, in the churches are not doing enough—we go on singing and preaching and saying prayers while our children are going to Hell—No we are not doing enough to alleviate the high rate of Youth Unemployment. That is why I come to you the Chairman of the Key House of Representatives subcommittee on Employment Opportunities. I come to you Brother Hawkins because you can mobilize the resources of the Congress and move the Legislative machinery of the Nation to authorize Youth Employment Legislation that will adequately provide for solutions to these problems before today's national crisis become tomorrow's national disaster.

I come to you, the Champion of the unemployed and unemployable Amercians of all races—the Author of the Hawkins-Humphrey Full employment legislation because I know—you know and the world knows that you are determined to do your best to get the Congress to take action now and not wait until it is too late.

It is my hope Chairman Hawkins that your committee will go back from this hearing, in New York and tell your fellow Congressmen that it is later than they think—that time's running out, that the challenge to the Congress is a clear and present danger—threatening and endangering the Amercian way of like as we know it. Tell them that the Community Organizations of the Nation know the signs and that the signs point toward new social disorders, that predictions of 7 percent and 8 percent unemployment and galloping inflation points toward 14 and 16 percent minority unemployment and 40 to 60 percent minority Youth Unemployment.

Tell them that the past year of Youth Demonstration Projects has encouraged Community Based Organizations such as the Urban League, S.E.R., and Mainstream, labor related programs such as R.T.P. and business related programs such as N.A.B. But tell them that encouragement is not enough! Tell them that we in OIC have challenged our business community to join us in a War Against Unemployment. We in OIC have launched a war against unemployment. We in OIC have seen in our more than 200 cities, that anything less than an all-out "War" is not enough.

What organized labor is doing is not enough!

What business is doing is not enough!

I say to you today Chairman Hawkins that we in OIC agree with you that what is being done today is not enough.

We agree with you that we can't wait and must not wait—we need new youth legislation in this Congress. We need the new youth bills H.R. 4465 & H.R. 4534 that you and Congress are proposing—we need to strenghten these bills by including additional Amendments to cover new information and new resources, we need new youth initiatives even in addition to these Bills that will help us win a war in Youth Unemployment as a part of a larger war on the energy and economic fronts.

Yes I call on the Congress, the Churches, Labor and Business to join in such an all out war. We in OIC decided that we could not wait! We launched a war ourselves. We set our goal to train and take off the street corners 1 million youth. In the next five years—we can do that by doubling our training capacity immediately by running night programs in our 200 centers and then reaching out with Career Intern Program, our school to work transitions programs, our Juvenile Justice Program our Cadet Intern Programs sponsored by the Labor Department.

We can do that by expanding our OIC motivational and attitudinal self help methods and job creation initiatives into cooperative interagency programs with the Department of Commerce, Agriculture, Housing and Urban Development and Training and Energy and H.E.W.

We have already began our attack. We have been joined by the President, I visited the Vice President and he agreed that the OIC war vs Youth Unemployment and his Task Force Plans can supplement each other.

We have been joined by Senator Kennedy who was the first senator to enlist in the Effort on Government Day at our Annual convocation—We have been joined by Senator Schweiker and Senator Magnuson of the Senate Appropriations Sub-Committee on Labor-H.E.W. By Senators Harrison Williams and Jennings Randolph who co-sponsored a special amendment to assure special consideration for Community Based Organizations in the carrying out of CETA Programs.

We come then today for the first time to ask you to join the war vs. unemployment and get an equivalent of a "Congressional Declaration of War" from your colleagues, to give again the kind of Leadership you gave us in the fight for the Hawkins Humphrey Bill—to help mobilize National Public opinion as well as the consensus in the Congress—We come to you Chairman Hawkins to pledge our support for your efforts. We in OIC support you 100%, we know that you are pushing hard in the right direction at the right time and we want you to know that we are right behind you.

Let me then for just a few minutes outline for you the kind of attack on the Youth Unemployment problem that I visualize.

First, I see the need for the White House to make our youth top priority and develop a comprehensive National Youth Policy.

Second, I see the need for the Congress to make our Youth top priority and provide legislative initiatives authorizing Federal Funding that is adequate to implement such a policy.

Third, I see the need for Interagency Coordination within the Federal Government and Intergovernmental Coordination between Federal, State, County and Local Government to implement such a policy.

Fourth, I see the Private Sector linked to the Public Sector by Community Based Organizations such as OIC that have a track record of demonstrated effectiveness—serving as Intermediaries between the private sector and the Government.

Fifth, I see the need to mobilize the support of the American people for an emphasis on youth Job-Creation and Youth Training and Job Search for jobs that exist.

Sixth, I see the need to adopt a Youth Employment Action Agenda like the Agenda developed to push for full employment—recognizing that "strategic Youth Unemployment limitation" is as important to the destiny of America as "strategic arms limitation".

Seventh, I see the need to reach all youth who are willing and able to work—With:

1. A plan to provide training opportunities skills such as the Weiss Bill advocates.
2. A plan to get all of the government agencies into a coordinating effort using rural and forestry projects as well as urban ghetto and Barrio projects as advocated in the Hawkins Bill.
3. Reaching the unreached in-school and out of school teenagers with massive career intern projects combining the public school system with OIC—type motivational training by amending the Hawkins Bill.

4. Expanding the private sector initiative, and the targeted tax credit plan as advocated in the Hawkins Bill.

5. Building a partnership (3 way) between business and government and community based organizations utilizing the kind of experiences developed by OIC over 15 years.

May I state in closing that we cannot and must not permit our youth to be sacrificed on the altar of Anti-Inflation Policy and balanced budgets. We must get national leaders from the White House level down to make the same effort to cut the red tape on the youth unemployment crisis as they did on the Middle East crisis.

We must be willing to look at today's youth unemployment crisis, especially among black and spanish speaking youth, as we looked at the Soviet threat to outdistance us in space technology when President Kennedy mobilized the nation's political, economic, business, labor and education leadership to design a master plan to put a man on the moon in 10 years. If we can put a man on the moon we ought to be able to put our youth on their feet with skills and jobs on the earth!

President Kennedy succeeded in reaching that 10-year goal. I say to you Mr. Chairman, we too can reach that goal. If the 96th congress begins as we close the decade of the '70s, I say we could have the Youth unemployment crisis wiped out by the decade of the 1990's. We could make the 1980's the Youth Employment Decade. Todays 11 year olds would be 21. Today's 8 year olds would be 18.

We could begin now with the elementary schools, Junior High and High, OIC schools and community based organization schools—we could mount a campaign, mobilize national resources, reorder priorities as was done to put a man on the moon.

Now I know that the technocrats and the Bureaucrats will raise the spectre of the price tag. To them I would ask what is the price tag on the prisons—the police departments—the destroyed property—the lost lives—the decimated military manpower reserves that will result if we do not make a comprehensive plan.

Needless to say you did not need to have the picture I have painted for you repeated today. Each of you in your own state, counties, cities and neighborhoods have had reports in hearings, received letters, listened to the voices of concerned citizens, read the President's Employment and Training commissions analysis.

So, today, having taken note of the critical danger we face, I should like to go on record as advocating a ten year plan. A Grand design comparable to a military battle plan.

I want to see the President and the congress go beyond the stop-gap measures of CETA—beyond the weak efforts and scandalously callous failure to implement the Humphrey Hawkins legislation—beyond the Employment & Training initiatives, outlined by the interagency private sector jobs. This is all good—but it's not good enough.

I have watched carefully the plans that have been brought forth to move the structurally unemployed into private sector jobs by the administration. I have studied carefully the legislation on Public Works and Economic Development Act of 1979 reflecting congressional plans to foster a public-private sector initiative to help solve the youth unemployment problems. I have attended and participated in the White House Conference on Balanced Growth and Economic Development.

Then I have turned to the picture of G. William Miller and Paul Voelcker of Today's Recession. I see the spectre of larger lines of adults at Employment Service Offices, and Welfare Centers. I look at jobs that will be lost by a Chrysler Corporation if it goes down the drain. I remember what happend to Boeing and Lockheed and Pennsylvania Railroad not too long ago.

Then I have asked myself, are we tinkering with the old machinery? Are we still just going back to tired ideas, old, well-worn, tried but not necessarily true for the 1980's, 90's and the 21st century! Can we not do something that has not been done before? The late Chairman Adam Clayton Powell of the House Education and Labor Committee used to say we must think the unthinkable and do the undoable if we are to survive!

I say Adam was right. Then I say Chairman Hawkins you are right, and now as you challenge the congress and the nation to let the push of historical necessity, and the pull of our human rights and humanitarian ideas make us change things from the way they are to the way they ought to be. Your are right and we are right behind you!

Thank you for hearing my views on this terribly important issue.

STATEMENT OF REV. LEON H. SULLIVAN, CHAIRMAN OF THE BOARD OF TRUSTEES AND FOUNDER, OPPORTUNITIES INDUSTRIALIZATION CENTERS OF AMERICA, PHILADELPHIA, PA.

Reverend SULLIVAN. Mr. Chairman, and members of your committee, we have come today because we believe of all the things we have discussed in the Nation affecting the future of our people that are happening today, your hearing represents one of the most important things occurring, affecting the future of our Nation. It is for that reason that we are here.

I want to thank you and the members of the Subcommittee on Employment Opportunities for granting me the opportunity to testify before your hearing on unemployment and on the bill introduced by the members of your committee to improve Federal programs of youth employment.

I want to commend you, Congressman Weiss, for your efforts in this particular district, and your concern for the needs of the people here, as well as you, Congressman Jeffords, and to our friend, Congressman Hawkins, who is so admired by millions of people across the Nation for his interest in helping young people.

May I say at the outset how much we, in OIC, appreciate your leadership in the efforts to put young Americans to work, and to make full employment a reality in our time. Never the history of our Nation have so many owed so much to those few who are striving to help in this cause. It may well be that one day, the historians in the 21st century will record your efforts more nobly as persons who are willing to bite the bullet and face the fact of a national crisis of youth unemployment, and to take steps to prevent its becoming a national disaster.

For, make no mistake about it, the danger of rising minority youth unemployment in our cities is becoming one of the most dangerous situations affecting this Nation. I come to be with you this morning to share my views regarding this danger, in the hope that this subcommittee will be able to persuade the entire Education and Labor Committee to sound the alarm in the Congress, and to sound the alarm to the White House, and to sound the alarm to America, of the magnitude of the danger that is before us.

I say to you, gentlemen, and ladies, that our Nation is in trouble, not only with energy, inflation, unbalanced budgets, unfavorable balance of trade, a Cuban crisis, a Middle East conflict of OPEC oil, but the Nation is in trouble because of the uncontrolled, unbelievable, underestimated danger of rising youth unemployment.

I have just completed 60,000 miles traveling across America, into our cities, our towns, and our hamlets, to the West, to the Southwest, the East, and the North, and what I have seen has become one of the most disturbing things I have witnessed in many years.

Not since the days before the riots of the 1960's have I seen more growing clusters of young people on street corners, unemployed, frustrated, hopeless, smoldering like red-hot coals. Something has to be done to put these young people to work in a productive way, or we will have trouble in our cities, our neigborhoods, the likes of which we have never seen before.

Our Nation is in more trouble than anyone seems to realize because the red-hot coals of unemployed youth cannot help but burst into flames unless something is done to create work and jobs for the young people who are unemployed in such continuingly growing numbers all across the Nation. Such dangers if the needs are not met quickly, and adequately, and well, could destroy the fabric of our country and undermine the moral and spiritual values of our democracy.

Imaginative moviemakers have recently produced frightening scenes of rioting, looting, vandalizing, terrorism; teenagers and subteenagers on the loose; fears of adults in urban areas; pales of youth guerrilla efforts.

The increasing number of crimes, rapes, robberies, extortions, and murder attributed to youth is beyond belief, and continues to grow. Today the problem is in someone else's neighborhood, but tomorrow the problem will be in your neighborhood. Today, the problem is just down the block, but tomorrow the problem will be right in next door.

We are in trouble, and ordinary plans for legislation will not get the job done. Ordinary recommendations, despite the best of intentions, will not get the job done that needs to be done. We need extraordinary legislation, extraordinary mobilization of national resources by the executive branch of the Federal Government, State, county, and city governments, as well as an extraordinary commitment from the private sector.

We need extraordinary efforts on the part of community-based organizations, churches, every facet of America to mobilize in an effort to put unemployed youth to work in this country. We need an all-out effort that is the equivalent of a war. We need to declare war against youth unemployment in America, joblessness, hopelessness, and despair. We need to do something quickly about the mounting youth tragedy that is already among us.

I come to you today because I want you to help make this happen. I ask you to help those of us who are already trying, in our own efforts, to help make this happen. We must mobilize the people of America from the top to the bottom, from the ivory tower to the grassroots. We must mobilize the upper class, the middle class, and those who are in the lowest one.

We must mobilize to meet this problem today, recognizing it as a national crisis, that our cities are in for trouble. Our cities can be set on fire again. Our lives and property are in danger. Our society will be radically changed unless we heed the cry, "Do something now to help the millions of young people who do not know where to go, and who are growing in numbers, frustrated, not knowing what direction to take."

The crisis we face today is as great a crisis as we faced when we confronted an enemy during the Second World War. At that time, we mobilized every resource we had. We strengthened our Army. We strengthened our Air Force. We strengthened our Navy. We strengthened every support, every resource we had to win the war.

Once again this we must do. Every resource we have, we must strengthen to win the war. This means, regarding the private sector, hundreds of thousands of businesses, small, medium, and large, must be called into play to fight against this war of unemployment.

All of our public agencies, Federal, county, State, and city, must be brought into play to this war. All of our community-based groups, OIC, the Urban League, labor union organizations, many, many individual line organizations within our communities to the extent that they are able to do what they can, must be joined together in this mobilization against unemployment.

A few months ago, the OIC launched its own war against unemployment. We said that we would, as one organization, take 1 million young people off the street corners of America, and put them in jobs. We are willing, ready and able to help lead the way, but it must go beyond OIC. OIC alone cannot do the job. We can do an important part, but it is a challenge for the Nation, and it is for this reason that we come to your committee and to your subcommittee, so that we be able to reauthorize the effort to fight youth unemployment, and strengthen the reauthorization, with an understanding and a call to the Nation that what we do is of great priority to the future of us all.

It is my hope, Mr. Chairman, that your committee will go back from this hearing in New York, and tell your fellow Congressmen the consequences that are ahead, to let them know that time is running out, that the challenge to the Congress is a clear challenge to the future of America; to present to your colleagues the realization of a clear and present danger threatening and endangering the American way of life if we do not meet it now.

Tell them that the past years of youth demonstration projects have been effective, some of them, but not enough. Tell them that what has been done has been commendable, but not enough.

A few months ago, I met with the President of the United States in the Oval Office. It was there that I said to him:

> Mr. President, we appreciate what your administration has done, but it is not enough. As we see the problem facing us in this Nation, what is being done is not enough.

We, in OIC in 200 cities and communities, are willing to do our part in an all-out war. We ask you to shape your legislation to include us visibly and clearly in legislation, that we might be utilized, with our demonstrated effectiveness, to do more.

We ask that we be considered not only for being in the report, but that this time OIC and community-based organizations that have demonstrated their effectiveness, be considered in the actual wording of the bill. We ask you to authorize us in this war to become like the infantry in the urban areas, to reach out to our brothers and sisters that we might give them the help that they need in cooperative with the businesses and the public agencies that also should be a part of this great challenge before us.

We have already, Mr. Congressman, and members of this esteemed committee, attempted to do our part. OIC has trained and put 500,000 Americans who were unemployed into jobs in the last 15 years. The call is more urgent now. We must reach our young people by the millions.

Today we are talking about helping 500,000 young people, 750,000 young people, maybe 1 million young people. But it is like a cup in a barrel, there are millions of our young people that must be reached, and they must be reached in a massive scale, nationwide, emergency effort.

Much of the inflationary problem of America can be solved with the employment of unemployed youth. Much of our budgetary problem and the balancing of the budget can be solved by the employment of our unemployed youth.

Members of this committee, we want to express our appreciation for the interest you have shown in this regard, for the steps you are taking now and the steps we know you will take in the future to meet this crucial problem that is ahead of us, and we pledge to you the support of the OIC to help you in whatever legislation you might devise.

We pray for you and for your success, and we hope that your inspiration, guidance, and leadership will inspire the Senate of the United States to take greater action, and together the House and the Senate, and the President, and all of us of the Nation, all of us of America, perhaps, we can do something to help stem this crisis, and end this danger before it is too late.

Thank you very much, Mr. Chairman.

Mr. HAWKINS. Thank you very much, Dr. Sullivan.

I think that the response from the audience reflects the feelings of the committee. I will not take the time to go into the specifics of the legislative proposals, I know you have indicated some interest in having a bill introduced by the chairman of the full committee, Mr. Perkins. I am not sure what the status of that is at this time, but regardless of that, I want to assure you that whatever bill is reported by the subcommittee, I am confident, it will have some visibility included for the OIC movement, and for the efforts that you have put forth.

I think that it is almost a commonplace statement before this committee that we always do include some visibility for the OIC. I am confident that it will be done again in whatever bill is reported by the committee.

I think that you have sounded the alarm in a very dramatic way today. The committee is deeply appreciative, and again I wish to renew the offer of full cooperation by the subcommittee in working out the legislative strategy that will make sure that OIC and other such community-based organizations are thoroughly included in whatever effort we put forth.

Mr. Weiss?

Mr. WEISS. Thank you, Mr. Chairman.

I, too, simply want to express my gratitude to Dr. Sullivan for that very eloquent call for action, because it is that kind of call followed up by organizational efforts across the country which will ultimately result in the sort of effort that you so eloquently described to be necessary.

Reverend SULLIVAN. I might say, an OIC bill has been introduced and will be coming before your committee for consideration, with the hope that it might be included in the overall bill that might finally be signed into law.

Mr. HAWKINS. Mr. Jeffords.

Mr. JEFFORDS. Thank you, Mr. Chairman.

Dr. Sullivan, I have heard a lot about you, and now I know why.

Mr. HAWKINS. You seem to have stirred both sides, Dr. Sullivan, as usual. We again wish to express the appreciation of the subcommittee to you and to your associates. Thank you very much.

Before turning to the next witness, may the Chair again indicate that because the Congress is in session today, the members of the subcommittee are due back in Washington this afternoon. It is the hope of the Chair that we will proceed as expeditiously as we seem to be doing now, and that we will be able to hear from all of the scheduled witnesses, and conclude the hearing not later than 2 p.m., this afternoon. We will forego breaking for lunch, and we will proceed in the same manner that we are now following.

I understand that the next several witnesses are not present at this time. We will go, therefore, to the next scheduled witness, who apparently is with us, Mr. Richard A. Desrochers, director, Youth Employment Unit, New York State Division for Youth.

Mr. Desrochers, we welcome you before the committee. We do have your prepared statement, which will be entered into the record in its entirety. We will appreciate your giving us the highlights from the statement, after which I am sure there will be questions from the members of the committee. You may proceed.

STATEMENT OF RICHARD DESROCHERS, DIRECTOR, YOUTH EMPLOYMENT UNIT, NEW YORK STATE DIVISION FOR YOUTH

Mr. Desrochers. Thank you, Mr. Chairman, and members of the committee.

I would like to read parts of the statement, if I could.

Mr. Hawkins. Certainly.

Mr. Desrochers. The New York State Division for Youth is a State agency charged with the care and rehabilitation of some 4,100 juvenile delinquents and persons in need of supervision. We have a full range of facilities, including our secure centers, down to our community-based facilities, and also work with youth who are coming out of our facilities in what we call after-care status.

In addition, it is the agency with the mission of youth development and delinquency prevention, as it provides matching funds to localities and to youth service bureaus throughout New York State, assisting local communities in developing services.

The division's youth employment unit, established in February of 1978, to basically target our unique population has developed a full range of employment/training programs and services for the facility-based and after-care populations. We also work very closely with the youth services bureaus in programing for nonadjudicated youth.

We have received a number of different funding from both the Governor's discretionary funds under title II and title IV of CETA, including 1 percent linkage, that totals approximately $2.5 million to servce some 1,235 of our youth.

These projects are run in our facilities as well as in the community, most are operated directly by the division, but in some instances are contracted out to local community-based organizations, such as People's Development Corp., which I believe is on the agenda this morning.

In addition, we have special referral mechanisms and agreements to involve our youth in local prime sponsor programs, Young Adult Conservation Corps, Jobs Corps, and the summer youth employment project.

We are also working with an $8.8 million grant from countercyclical antirecession funds that has allowed the division to fund the employment unit, experiment with various program models, develop and implement employment/training programs within our facilities, combine with State and county probation departments and youth bureaus in a statewide initiative to secure job placement within the private sector for 1,800 youth on probation. This is a one-time grant received from the Federal Government to the State of New York.

Most of our clients are emotionally handicapped. All of our clients have been adjudicated, possibly through the family court.

Eighty-five percent are 2 or more years behind grade level in both reading and math.

Sixty-four percent are nonwhite, of which 45 percent are black, 11.8 percent Hispanic, and 6 percent Native American, or other.

Sixty percent are members of families who receive public assistance.

Fifty percent have dropped out of school and in New York City an estimated 70 percent of the youth that we deal with have dropped out of school.

A good segment of the division's population are female.

I think the fact that most youngsters are simultaneous members of several significant segments clearly identifies division clients as a priority group.

The employment unit, as I said, has been doing some quite unique programing measures, and the next paragraph in the text talks about the employment unit, and what we have done, especially one project, the evaluation design that we are now doing, and the results of which are just now coming out after approximately 12 months of programing.

The division has a strong interest in providing employment and training programs for our youth for we feel it is the backbone in the growth and development process, and the rehabilitative process of our youngster. We feel we represent the special-needs youth both from an advocacy and a program operator's standpoint.

I recently returned from Vice President Mondale's Task Force on Youth Employment seminar on "Youth With Special Needs," held in Boston; and in June testified before the National Commission on Employment Policy hearings held in Philadelphia. We are concerned about and committed in our youth, and feel that youth employment plays a significant role in not only the growth and development of our youth, but in their rehabilitative process as well.

The division feels strongly that there should be a national policy on youth of which youth employment is a major part. We need to focus the country's energies and attention to the future citizens of America, and bring all resources together to be certain that the future citizens have the attention, employment, and educational opportunities that are necessary to become productive and worthwhile citizens.

Any national policy on youth employment must consider and develop partnerships with local and State governments in order for that policy to become implemented on the local level. A partnership can be developed and nurtured if that partnership includes both the State level and the Federal level working together.

As an example, the division for youth has, since 1946, developed such a partnership with local governments as they share in the cost of youth service programs on a local level. In many instances, State and local costs equal 50 percent, and provide the impetus and motivation for rural areas to become involved in services not normally seen in these locales.

Other factors to consider in the national policy on youth employment may include: I think we have to realize that youth employment is different from adult employment in that youth employment is a mix of economic development and human development. The younger the person, the greater the human development needs.

We feel that youth employment is a growth and development process, where our youth need to have the opportunity to explore various occupations, learn job knowledge, job seeking skills, attain marketable skills, and have an opportunity to be part of the training program, while not having to compete with adults for positions.

Support services for youth on the job is a necessary and worthwhile component of a youth employment project, especially for those youth having special needs. These youth, im many instances, are unskilled, abused, and need much more than 30 days allowed by CETA regulation. This regulation, among many, emphasized that CETA is adult oriented, and has approached youth employment with adult parameters. Youth employment is not a complex issue, just one needing a different approach and emphasis.

Provision should be made for funding vocational programs in youth facilities. Today, most efforts are toward the deinstitutionalization of youth, since status offenders were in too many instances found to be the main residents, I believe the status offenders are being taken out of the facilities. But the youth who remain must receive adequate programs, and adequate care, otherwise we end with a mini-adult correction system.

It is true that we must protect society, and place those youth who are dangerous to society and to themselves in a secure setting. Those in facilities are usually youth having the greatest needs. Therefore, special help is needed to assist them in overcoming their problems and return to the community as quickly as possible.

We also need to look at, once their return to the community, the services that really are necessary in order for them to make it.

The private sector needs to be involved both in the planning and program operation. I am sure you have heard this from every witness here this morning, the private sector is the workplace offering the most relevant experience. While the public sector can offer relevant and productive work sites, the private sector is an experience needed by youth. This element is addressed in both bills and is their strength.

However, this comment should not be interpreted to be an exclusion of the public sector as an employer. The public sector can be a fulfiller of job opportunities if certain ingredients are found at the job site: Good supervision available to training the youth, and the commitment by the public agency that these youth are deserving of a meaningful experience, and not a handout.

After reading both Representative Hawkins' and Representative Weiss's bills, I feel encouraged that there is such an interest by the Congress of the United States in youth employment, that the need is being addressed, that youth be seen as needing relevant, productive, and practical work experiences or training, and not merely a job or handed money.

The emphasis in both bills toward private industry councils is heartening and, I believe, a move in the right direction. However, I do believe that the PICs need to focus specifically on youth employment, designate a certain percentage of funds for youth employment or make some modifications to better adapt the bills to youth employment.

You may want to look at school districts, operating youth Bureaus, or incorporate the work education councils within the working PICs to give the PICs some link to youth employment issues and problems. We also need to increase the funds available, if we feel that PICs are truly the key to the private sector.

We also need to further increase program options by: Loosening the regulations toward training and subsidize employment in the private sector. We need to target and explore subsidized employment.

We need to expand the targeted jobs tax credit eligibility to 16-year-old, out-of-school yougsters. It is heartening to see Congressman Weiss's bill, H.R. 4536, addresses this need. While the TJTC does address youth 18 to 24, and those involved in a cooperative education experience, those two criteria do not make eligible a great number of our youth, youth with special needs—the ones that desperately need entry into the private sector.

We need to streamline O-J-T. The paperwork is horrendous. The private sector is being turned off.

We need to assist the PICs by providing them with the authority to exempt programs from the hazardous occupation sections of the child labor laws for experimental programs, while continuing necessary safety precautions. In our zealousness to protect youth, we have denied more youth the opportunity to work in productive, meaningful jobs than we have put to work in those types of positions. We look at our laws, while keeping safety in mind at all times.

Both sides of the minimum wage argument deserve some attention. However, when we discuss youth employment, especially for those youth below the age of 16, we need to consider whether the minimum wage is a viable method of payment.

The testing for youth employment needs is long overdue. It is not now available in many instances, and should be used to measure increasing employability. The division developed its own battery of assessment tests, which measures optimism, job knowledge skills, job seeking skills, interests, locus of control, and provides the division and its workers with a systematic, objective look at our youth's employability level. We can then determine where to place our youth. As we post-test the youth exiting from the program, we can then evaluate our efforts in raising their level of employability, which we feel is very important.

I have a feeling, however, that youth testing might best done in agencies having some experience in dealing with this population, either though the school system, or through an agency that can reach the out-of-school youngster, or possibly through the Private Industry Council. We should reevaluate the placing of this task in the employment service.

Lastly, Job Corps has always been and remains to be an opportunity for division youngsters to enter a viable training program. However, our youngsters find it difficult to enter Job Corps and in many instances only need the non-residential Job Corps experience mentioned in Congressman Hawkins' bill.

We endorse the nonresidential concept, reommend that you implement the concept within the inner-cities, and that you seek viable working agencies that can provide that type of training instead of developing new Job Corps centers within the urban areas. Also, add to the residential Job Corps sites non-residential slots so that medium-sized cities and counties can also take part in that training and reach all youth. I believe that this should be recommended.

Mr. Chairman, the last 3 pages, basically, talk about the division's initiatives, and some of the programs that we have attempted to develop over the last 18 or 19 months, basically around raising the employability of our youth. We feel that we have a series of programs, operated both by ourselves and community-based organizations, that deal with the special needs of youth.

I am here today to ask you to pursue your efforts in getting the bills through Congress, to keep youth employment on the table, to keep it active and alive, but to look at some of the other comments, and some of the other ramifications of getting kids jobs.

I don't think that it is merely getting kids jobs. I believe that it is more than that, although it is not such a complex issue.

I appreciate the opportunity to speak to you today. Thank you very much.

[The prepared statement of Richard Desrochers follows:]

PREPARED TESTIMONY PRESENTED BY RICHARD A. DESROCHERS, DIRECTOR, YOUTH EMPLOYMENT PROGRAMS, NEW YORK STATE DIVISION FOR YOUTH

Thank you, Chairman Hawkins and members of the Subcommittee for this opportunity to testify here today regarding the bills you have proposed and also for the opportunity to speak to you regarding the Division for Youth and its initiatives in youth employment.

NEW YORK STATE DIVISION FOR YOUTH

The New York State Division for Youth is a State agency charged with the care and rehabilitation of some 4,100 juvenile delinquents and persons in need of supervision. The Agency operates a continuum of facilities serving youth having a range of various needs and behaviors while also supporting the youth back in their communities through a Youth Service Team model, professional staff assisting the youth back into the community. In addition, it is the Agency with the mission of youth development and delinquency prevention, as it provides matching funds to localities, to youth service bureaus and community-based organizations throughout New York State, assisting local communities in the development of a wide range of youth services. The Division's Youth Employment Unit, established in February of 1978, to specifically serve Division for Youth clients, has developed a full range of employment/training programs and services for the facility-based and aftercare population. We also work very closely with Youth Bureaus and community-based agencies in the design, development, and funding of programs for non-adjudicated youth.

As a main source of funding, the Youth Employment Unit has received CETA Governor's Discretionary Grant funds under Titles II and IV of CETA, including 1 percent Linkage funds. During this past fiscal year, Governor's Discretionary projects totaling $2.5 million have served some 1,235 of our youth across the State. These projects are operated in our facilities directly by the Division as well as in the community by contracting with community-based organizations. In addition, we have special referral mechanisms and agreements to involve our youth in local Prime Sponsor programs, Young Adult Conservation Corps, Job Corps, and the Summer Youth Employment Project. We are also working with a one-time $8.8 million grant from Countercyclical Anti-Recession funds that was provided to fund the Employment Unit, experiment with various program models, develop and implement employment/training programs within our facilities, and combine with the State and County Probation Departments and Youth Bureaus in a statewide initiative to secure job placements within the private sector for 1,800 youth on probation.

All of the Division's 4,100 clients are members of at least two, and usually more, of the significant segments for determining need as defined by CETA. All clients are 19 years old or younger and can be classified as offenders. Other significant segments represented are:

A. 85 percent are two or more years behind grade level in both reading and math.

B. 64 percent are non-white, of which 45 percent are black; 13 percent Hispanic; and 6 percent, native American or other.

C. 60 percent are members of families that receive public assistance, and three-quarters are from families below poverty level.

D. 50 percent have dropped out of school, including some youngsters who were 14 and 15 years old; and in New York City an estimated 70 percent of all youth have left school.

E. A good segment of the Division's population are female.

The fact that most youngsters are simultaneous members of several significant segments clearly identifies Division clients as a priority group.

Once again, the Employment Unit, while being only 19 months old, has developed significant employment initiatives. Our plans for Federal Fiscal Year 1980 call for requesting over 19 programs from Governor's Discretionary funds that will serve approximately 3,000 participants and contract with a number of community groups capable of operating high level youth employment programs. Total programming including potential funding from other sources such as State Purposes and foundations, could total approximately $7.5 million, including administrative staff. The Division's Employment Unit provides program planning, monitoring, technical assistance, and evaluation. The Unit also makes decisions about program design, prepares the narratives of applications and modifications, helps program operators implement their programs, visits operating programs, provides technical assistance, and verifies contract compliance, checks CETA forms, keeps the Agency apprised of changes in the Federal regulations and CETA Operations Division procedures. We have developed an Employability Development Plan that is individual in nature and must be prepared before the youth participates in the program.

The real measure of performance will be indicated by the evaluation developed by the Division and applied to most programs. Significant changes in the client's work-relevant attitudes, education, job knowledge and job seeking skills, and knowledge about the labor market and specific skills attained will test the program's effect. The evaluation, using the employability skills assessment battery in a pre and post-test design, will document such growth. Included in the evaluation is a follow-up design that will longitudinally study the youth over a period of three, six, nine and twelve months. This design has been reviewed by the Office of Policy Evaluation and Research at the U.S. Department of Labor. Results from the evaluation will be available over the course of the next fiscal year and I will be happy to share those results with you.

The Division has a strong interest in providing employment and training programs for our youth since we feel employment is important to a youth's growth and development process as well as the rehabilitative process for our youngsters. We feel we represent the special-needs youth both from an advocacy and a program operator's standpoint. I recently returned from Vice President Mondale's Task Force on Youth Employment seminar on Youth with Special Needs, and in June testified before the National Commission on Employment Policy hearings held in Philadelphia, relaying the message about youth employment.

TESTIMONY

The Division feels strongly that there should be a National Policy on Youth in which youth employment is highlighted. We need to focus the country's energies and attention on the future citizens of America, and coordinate resources to ensure that the future citizens have the attention, employment, and educational opportunities necessary to become productive and worthwhile citizens. Any national youth policy containing youth employment must consider and develop partnerships with local and state governments in order for that policy to become implemented. With the federal government concerned with national labor market trends and allowing the local and state governments to plan and implement programs around individual local labor trends, a partnership can be developed and nurtured.

Other factors to consider in the national policy on youth employment include:

Youth employment is different from adult employment in that youth employment is a mix of economic development and human development. The younger the person, the greater the human development needs. In this context employment must be coordinated with other activities such as education and recreation for a complete approach to the problem. There needs to be a balance of economic development and human development concerns. Fourteen and fifteen year-olds are exploring. They do not and should not enter into the economic focus on youth employment but will need skills when they do and need to build self-esteem while younger. While 18 year-olds may be still exploring, contact in the labor market is a more serious matter and could have an impact on the national labor market.

Support services for youth on the job is a necessary and worthwhile component of a youth employment project, especially for those youth having special needs. These youth, in many instances unskilled and needing direction, need much more than the 30 days allowed by CETA regulations. This regulation, among many, emphasizes that CETA is adult-oriented and has approached youth employment with adult parameters. Youth employment is not complex issue, just one needing a different approach and emphasis.

Provision should be made for funding vocational programs in youth facilities. We know that youth facilities, unless funded adequately for remedial and rehabilitative programs, offer nothing more than custodial care. So the youth exits the facility, having learned few skills and with more scars than s/he entered. Those youth in facilities usually have the greatest needs and, therefore, special help is required to assist them in overcoming their problems and return to the community as quickly as possible. In New York State, since the Vocational Education Act guidelines are somewhate clouded, the Division for Youth does not have the opportunity to take advantage of those funds for our facilities and may see a discontinuance of the programs begun since February 1978. However, we are working closely with the State Education Department at this particular time to determine resources available such as technical assistance, funding for certain certified programs and the designation of our facilities as Cooperative Education agencies, thereby making our youth eligible for the Targeted Jobs Tax Credit.

The private sector should be involved both in planning and program operation. I'm sure you're all aware, and have heard countless times today, that the private sector is the work place offering the most relevant experience and the type of experience needed by youth. This element is addressed in both bills and is their strength. This comment, however, should not be interpreted to mean exclusion of the public sector as an employer. The public sector can be a fulfilling job opportunity if certain ingredients are found at the job site: good supervision available to train the youth, and a commitment by the public agency that these youth are deserving of a meaningful experience and not a handout.

THE BILLS

After reading both Representative Hawkins' and Representative Weiss's bills, I feel encouraged that there is such an interest by the Congress of the United States in youth employment, that the need is being addressed, and that youth are seen as needing relevant, productive, practical work experience or training and not merely a job or handed money. The emphasis toward private industry councils is heartening and, I believe, a move in the right direction. However, I believe that the PICS need to focus more specifically on youth employment by designating a certain percentage of funds for youth employment or making some modifications to better adapt the bills to youth employment. You may want to add school districts, operating Youth Bureaus, or incorporate the work education councils to the working PICS to give this body linkages to youth employment issues and problems. We also need to increase the funds available. If we feel that PICS are truly the key to the private sector, we need to further increase their program options by:

(A) Loosening the regulations toward training and subsidize employment in the private sector. We need to target and explore subsidized employment.

(B) We need to expand the Targeted Jobs Tax Credit eligibility to 16 year-old, out-of-school youngsters. It is heartening to see Congressman Weiss's bill HR 4536 that addresses this need. While the TJTC does address youth 18-24 and those involved in the Cooperative Education experience, those two criteria do not make eligible a

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great number of our youth, youth with special needs—the ones that desperately need entry into the private sector.

(C) We need to streamline OJT. The paperwork is horrendous. The private sector is being turned off. We may need a whole different approach regarding this worthwhile effort.

(D) We need to assist the PICS by providing them with the authority to exempt programs from the hazardous occupation sections of the Child Labor Laws for experimental programs while continuing necessary safety precautions. In our zealousness to protect youth we have denied more youth the opportunity to work in productive meaningful jobs than we have put to work in those types of positions. We must look at our laws. We also must keep in mind safety precautions, but allow youth the opportunity to work.

(E) Minimum Wage—Both sides of the minimum wage argument deserve some attention. However, when youth employment, especially for those youth below the age of 16, is discussed, we need to consider whether the minimum wage is viable or counterproductive.

The testing for youth employment needs is long overdue, in many instances is not now available, and should be used to measure increasing employability. The Division developed its own battery of assessment tests which measures optimism, job knowledge skills, job seeking skills, interests, locus of control, and provides the Division and its staff with a systematic, objective look at our youths' employability level. As we posttest the youngsters exiting from the program, we can then evaluate our efforts in raising that level of employability. Not discounting the Division's efforts in this area, I feel the subcommittee should investigate the best possible agency(s) to conduct youth employment testing and assessment which might include the schools, agencies reaching the out-of-school youngster, the Job Service, or possibly through the Private Industry Councils themselves.

Job Corps has always been, and remains to be, an opportunity for Division youngsters to enter a viable training program. However, our youngsters find it difficult to enter Job Corps and, in many instances, only need the non-residential Job Corps experience mentioned in Congressman Hawkins' bill. I endorse the nonresidential concept, recommend that you implement the concept within the inner cities, and that you investigate placing that task with viable working agencies that are presently providing that type of training. Also, add to the residential Job Corps sites, a number of nonresidential slots so that medium-sized cities and counties can also take part in that training.

DIVISION PROGRAMS

The Division for Youth employment programs are testing some of the approaches previously mentioned. We are operating a Job Development and Placement Program in five upstate metropolitan areas that provide a professional job seeker and, as important, professional counselors that support and assist young people while on the job. This may mean personal telephone calls to remind him/her of certain obligations. We view the jobs being provided on a vocational exploration context, since our client population is 14-17, and many not ready for a full-time job in which the person will remain for a long period of time. In fact, on the national basis the average length of stay in any one job for youth 16-19 is six months.

The Targeted Cooperative Education Program, soon to be operational in both Buffalo and Utica, is an example of local planning. The Division had the possibility of obtaining Governor's Discretionary 1 Percent Linkage funds, and so, contacted local Youth Bureaus and Prime Sponsors in both of these locales and assisted them in developing a program based on local needs. There are two separate approaches, different agencies working in the locales, with the program based on local needs. The program is an attempt to keep youth in school using a cooperative education model and supporting the participants via services offered by the local education agency, Youth Bureau, Prime Sponsor and community based organizations.

Institutionally, our programs revolve around raising the employability of our youth through an employment assessment, development of an Employability Development Plan, Job Readiness Training through work experience, and vocational skill training sessions. The main focus, however, is not on developing apprentices or training youngsters in specific trades or occupations, but to allow them to explore, test, grow, learn skills in various occupations that can be transferred, enjoy the work, develop relationships with staff and peers, and culminate in increased job knowledge that can assist the youth in becoming productive members of society and assist in the procurement and retention of a suitable job. Having learned these skills and once again residing in the community, the Division attempts to secure a job or training position based on whatever occupational interests or skills the youth has acquired. In some cases, the Division has assisted the placement of youth ready for the experience in a technical or trade school, a local training program or a Division-sponsored training program such as the United Auto Workers auto mechanic training program in New York City. While we feel our institutional programs are unique and worthwhile, our dilemma is that since they are being funded through Federal Anti-Recession funds, we may not have an avenue to continue funding after March 31 of next year.

Within the private sector there are two initiatives that we are proud of. One is called the Employability Incentive Program that provides a part-time subsidy to the private employer for a limited period of time so that youngsters having a history of failing on the job will become more attractive to the private sector by subsidizing the training of that youngster. The youngster would be supported on the job by a professional. We hope that through this incentive, the youth will partake in the private sector and the training costs of the private employer will be reduced. The Classroom in Industry concept is another initiative which places the remedial education, classroom training, skills training and work experience all within the industrial setting. We hope to develop this program, and implement it through Governor's Discretionary funds as of January 1, 1980.

Realizing that job readiness is one component of youth employment that is vital to the retention of youth on the job, the Division is, through Governor's Discretionary funds, investigating the best possible curriculum for job readiness by examining and investigating what has been accomplished, and revising, editing, and developing a curriculum based on the needs of our youngsters. Specifically, the goal is to investigate the best methods of teaching a job readiness curriculum to these youth needing an alternative approach, to test various methods, decide on one or a series of methods and publish the results. We are enthused by New York State Department of Labor CETA Operations Division's willingness to fund the project and look forward to the results.

As stated previously, the Division is presently evaluating its programs and will, if you wish, keep the Subcommittee apprised of what works and what doesn't. I appreciate the opportunity to testify today. I hope that the Division's remarks are helpful, and can be utilized in the development of youth employment bills.

Mr. HAWKINS. Thank you, Mr. Desrochers.

Mr. WEISS. Thank you very much, Mr. Chairman.

Mr. Desrochers, I am delighted to learn that you are in fact in the process of evaluating the programs that you are in charge of. I think that this is something that we would very much welcome, the results of that evaluation, at the earliest opportunity.

We heard testimony earlier today about the need for greater coordination among some of the Federal youth employment programs, especially those under CETA. I wonder if you could tell us what efforts have been made at the State level, not just in your division, but generally, to try and coordinate the various employment programs, training programs, education programs, which have as part of their purpose the provision of employment opportunities and training for young people.

Mr. DESROCHERS. We have done a couple of things over the last 12 months, one being that, in 1979, the CETA plan was funded by the Governor's discretionary fund. It was a combined plan with the department of probation. So in an attempt to coordinate our particular efforts, the youth on probation with our particular youngsters, although it was not a glowing success, it did get two agencies together, and we did talk about common needs, common experiences.

On the local level, we ran a program called the probation and employment program that found jobs for youth through youth bureaus on the local level, through probation department on the local level. In that particular program, about 1,800 jobs were found over the last 12 months, and we hope to see that program institutionalized within the State's budget.

The other effort we are making is working very closely with the State education department in a couple of things. One is, designing our programs in our facilities so that they meet the cooperative education guildelines, therefore, our youth will be eligible for target jobs tax credit when they work outside the facility, or inside the facility.

We are also making sure that the programs meet State aid guidelines. We are working very closely on the local level with State aid guidelines. In Buffalo and in Uttica, we have combined the programs with local youth bureau prime sponsors, local education agencies in a program called the targeted cooperative aid program, basically, to get kids back to school through a cooperative education experience.

Mr. **Weiss**. Thank you very much.

Mr. **Hawkins**. Mr. Jeffords.

Mr. **Jeffords**. I am curious about your comments on OJT, and about the paperwork. The biggest hindrance for business getting into OJT is because they don't want to be bothered with the paperwork. Is that your feeling, and if so, is it necessary?

Mr. **Desrochers**. I think that is basically the problem of paperwork. The chambers of commerce, and the businesses and industries that I have talked to have all said that they will not touch OJT, basically, because the Federal hand and the State hand is too heavy, and if the regulations were pulled back, the paperwork would be reduced.

I don't think that this is the issue. I think the issue is that there are too many regulations tying them up. There are too many people looking at what they are doing in minute detail, but that is mainly because of the program, especially when we are talking about division youngsters, and the youngsters having that particular stigma. It means that extra effort by that particular business, and in many instances it means a one-to-one relationship. We are asking them to do all of that, and then the paperwork.

The one-to-one relationship is necessary because many times our youth are coming out of facilities still having problems accepting what is out there. Where we don't after-care workers, the best type of relationship that can be set up is a relationship that is on the business level. A person who is on the the worksite, work with the youngster, and help him through some tough times.

We are asking them to do that, and we are also asking them to fill out constant forms, constantly looking over their shoulders, and they resent it. I think that we see through the OJT money that is not being spent.

Mr. **Jeffords**. Mr. Desrochers, what type of arrangement do you have with the department of education to try to exchange views on various problems you are facing; what formal or informal arrangements do you have?

Mr. **Desrochers**. Let me mention a couple of things. One, we are attempting to get the division to be designated at a local education agency, and LEA, and we have been in formal negotiations with the State education department for approximately 12 months. If we do that, and we are designated as an LEA, then Vocational Education Act funds could come to the division for use in our facilities, which would help us out.

Also, we would come under the rubric of their particular guidelines, get the technical assistance that we need regarding curriculum development, and methods of teaching. So the full negotiations are being held at this particular time on that level, and also at a lower level regarding cooperative education programs that we are trying to redesignate in our facilities.

So we are working closely with them, as much as possible, and we hope to see two or three things happen within the next 12 months.

Mr. JEFFORDS. Thank you very much.

Mr. DESROCHERS. Thank you.

Mr. HAWKINS. Thank you, again, Mr. Desrochers.

The next scheduled witness is the Reverend Gregory Browne, Stuyvesant Heights Church, Brooklyn.

Reverend, we welcome you as our next witness.

Let me ask at this time if Norma Nieves is in the audience? Apparently she is not.

Reverend Browne, we do have your prepared statement, which will be entered into the record in its entirety. You may proceed as you so desire.

STATEMENT OF REV. GREGORY BROWNE, STUYVESANT HEIGHTS CHURCH, BROOKLYN, N.Y.

Reverend BROWNE. Mr. Chairman, members of the Education and Labor Committee, I think that I had better read my statement, and then make some additional comments.

Mr. HAWKINS. You may proceed.

Reverend BROWNE. Mr. Chairman, and members of the Education and Labor Committee, youth unemployment has reached the point of being a national disaster. Officially, unemployment among youth 16 to 24 is 3 million. The National Urban League and the AFL-CIO estimate the number to be much higher.

According to the National Urban League's hidden unemployment index, unemployment among black youth has reached an all-time high of 75 percent. Statistics cannot adequately reflect the toll unemployment takes on one's personal life, family life, and physical well-being. The unemployed youth of our country have no future to look forward to.

We, the Youth March for Jobs, are an organization based on neighborhood and citywide formations of youth fighting for jobs. We strive toward getting all national student and youth organizations to fight for youth jobs on an ongoing basis. We continue to build jobs for youth committees in every major city.

We seek meaningful jobs for youth at trade union level wages and working conditions. Therefore, we do not agree with using tax credits to corporations as an incentive to hire young people. Youth are hired at training wages which are usually half the wage level of older trade union workers. So the company pays half the total wage, and the other half comes from tax credits, which come out of the pocket of taxpayers.

Therefore, the employer prefers to hire youth because it costs the employer less than it costs to hire an older person. This pits younger workers against older workers and contributes to a general lowering of wage levels. This serves to undercut the buying power of workers which, in turn, causes production to lag, resulting in more layoffs.

So the use of tax credit worsens the problem. We do not advocate any job measures that pit youth against the unions or that forces youth to compete with older workers to get jobs. We will, however, seek jobs for youth from private employers when that appears fruitful. We are not against government encouraging small businesses to hire youth, as long as wages are trade union or prevailing.

We strongly reject the notion that youth are responsible for their own unemployment. This ideology of blaming the victim has a sharp raciest edge, and claims that youth are unemployed because they don't want to work. The real problem is that there is not enough jobs to go around and the education and training that is provided is totally inadequate.

The private economy has left youth with an unemployment rate of 10 percent for 25 years. The private economy has not been able to absorb the huge pool of unemployed, particularly among black and Hispanic youth. What's happening is that the private industries are laying off workers. We believe it is the Government's responsibility to provide jobs for youth since the private economy has failed to do so.

We strive for public service and public works jobs that provide meaningful work for young people. Jobs that develop skills including on-the-job training, remedial education, that would be useful later on for private employment, and there is plenty of work to be done.

These jobs would be geared toward building the communities we live in. Schools, hospitals, recreational facilities, low-cost housing are all basic necessities that young people can be put to work on.

We are also for restoring any cutbacks in existing youth job programs such as CETA, even though we fight for improvements in CETA, such as trade union wages, greater affirmative action in job programs, more meaningful jobs.

We strive for jobs at equal pay for equal work with trade union working conditions. The wages should be trade union or prevailing, whichever is higher. We object to youth being used as cheap labor, that threatens the jobs of older workers who receive trade union wages.

The unemployment rates among black, Hispanic, and other minority youth are disproportionately higher than among their white counterparts. For this reason we strive for jobs programs with affirmative action. We believe affirmative steps must be taken to overcome past discrimination in job hiring, training, and promotion. This will serve to bring unemployment rates down to equal levels throughout the country.

We struggle for affirmative action in jobs programs while demanding more jobs for everybody. In order to win jobs for everyone, we must have unity. The basis for this is fighting for affirmative steps to be taken to guarantee equality in job hiring and promotion.

We work for the passage of Federal legislation such as the Youth Employment Act of 1979, H.R. 4465. This will, if passed, provide jobs and job training for youth aged 16 to 22. Wages will be trade union or prevailing, whichever is higher. The bill also provides employment for disadvantaged youth.

This legislation is badly needed if it can reduce the unemployment rate to 10 percent in an assembly district like Harlem. Youth must be able to work in their local community and school districts.

H.R. 4465 provides for academic input which is viable for young people if they are to survive this technological era. We seek the passage of such a bill because it provides jobs at meaningful wages and has a strong affirmative action clause which guarantees jobs for everyone.

We work for the passage of the shorter workweek bill with no cut in pay introduced by Representative John Conyers of Michigan. This bill, if passed, would create millions of jobs. Many of which might go to young people.

There are those who say that the Federal government has no money to provide jobs for youth. They state that taxes and inflation are already too high. As people who are bitterly affected by high taxes and inflation, we say that there is money for jobs.

Job programs can be financed through slashing the bloated military budget and closing the over $130 billion in tax loopholes for the big corporations and the wealth. This way, inflation is curbed and high taxes are reduced for working people and jobs can be created.

In striving to meet the job needs of youth, we use various methods. We seek to educate the public and lawmakers through conferences, studies, teach-ins, organizing guidelines, analysis of pending legislation.

We also organize actions to apply pressure on Federal and local governments to create massive youth job and job-training programs. These include lobbying, voter-registration drives, letterwriting, petitions, marches, demonstrations, and sit-ins.

Now, I would like to reflect, because I am a minister and I have the opportunity to travel throughout the local communities, and visit high schools, which I had the opportunity to do in Brooklyn last year, I think that there are other things that need to be said with regard to young people and unemployment. I don't think that they all need to be said with regard to their having a job.

For those who are high school graduates, and are out of school, it is important that they have a job. But even more so, those that are still in high school, juniors and seniors who see what is happening to their brothers and sisters, they know that they too, will come out and be a victim of the same situation. Consequently, they are saying: "To hell with education. I want money and I want a job when I come out of here."

There has been a cutback of funds for education for kids that go to vocational schools and colleges. As a result of this, such negative articles as those that were written in the New York Times, make it look like the young people don't want jobs, and it is an outright lie.

Last summer in Brooklyn and in Bedford-Stuyvesant, 500 jobs were offered, and 15,000 young waited from 6 a.m. in the morning until they could file an application. That is a serious analysis of how many young people want jobs.

In Harlem, there are 80,000 young black people that are between the ages of 16 and 25 that are willing to work, but there are no jobs and there are no appropriations for jobs. Then, they have to find other ways to entertain themselves. As a result of that, there is a deterioration of our community.

The minority community is deteriorating because young people not only do not have jobs, but they have no place to use their energy. Certainly, this is destroying our families. The structure of the family is being destroyed because the young male feels that he cannot support a wife and a child, because he cannot get the vocational training. As a result he is standing on the corner, and he will shoot crap, and smoke a reefer. He will drink some cheap wine. He will have a good time with the rest of the boys. It is destroying the image of what we are trying to do for our children.

Today, a youth without a future is a country without a future. We are not talking about right now. That is part of the problem with CETA, you can't give a child a job for 9 months, let him go out and establish a little credit, get an apartment, buy a car, and get some clothes, and then kick him off. You can't do that.

I say that we need to have a long-range plan for employment. That means that we cannot talk about 1 or 2 years, but the committee needs to look at 10 or 15 years, and what the unemployment situation is going to be like from this point on.

Already on us is 1980, so we cannot talk about 1980. We have to talk about 1990, 1995, if the young people are going to feel that they are going to be a part of this country. I say to you, if it is not done by 1985, you can look forward to a revolution in this country. Young people have seen revolutions in other countries, knowing that young people, 14, 15, and 16 years old are willing to die for a cause, and that same cause is here in America.

We don't need those kinds of tactics that say to young people, we do care about you, but I think our legislative leaders, our local politicians, our community leaders, they are not showing young people this care.

You cannot blame the young, you have to admit to yourselves, "We have been at fault." The U.S. government, the local politicians, the local communities, the local districts, we are to blame for what is happening to our young people.

The increase in crime, who is to blame for that? We are to blame for the crime that goes in our communities. We are to blame for high drugs and high alcoholism, for teenage pregnancy. This is all involved in youth unemployment.

We are to blame also for the negative attitude young people have toward senior citizens, toward their fellow man. We are to blame for that, because we are not teaching them how to do better. We are not showing them how to work and develop the discipline toward work. We are telling them, "We are trying to provide for you."

I suggest that if we were to find our young people, and were to place them somewhat in this society—I can say this, because I remember last summer, when I was in Cuba at the 11th Festival of International Youth and Students, we had an opportunity to dialog with other young people. They talked about their problems, and their problems are just like our problems. Young people are not being a part of their Government. They are not being a part of their society. Consequently, we could hear the revolutionary tactics that they would use.

The second thing is that unless young people understand that the political process has to take place, that is the only way jobs will be created in this country, unless they know that their voting power is going to put Congressmen, Senators, districts leaders, and mayors out of office, and say: "We want you to recognize that youth unemployment is a public enemy, public enemy No. 1."

Unless that can happen, I believe that young people are going to have to turn to this democratic system, they are going to have to vote the old people out and vote some new people in who are concerned about the domestic issues of this country.

Mr. HAWKINS. Thank you, Reverend Browne. The Chair would like to pay a compliment to you this morning. I realize a lot of the thinking that has gone into the proposal before the subcommittee, H.R. 4465, was due to your own thinking.

I recall that you did indicate your views during one of your visits to Washington. I am very pleased to know that you have expanded your efforts in that direction. Being aware of the work that you are doing in your own community, I believe that you can be of tremendous help to the subcommittee as we proceed to conduct these hearings in various parts of the country.

I think you have given us some very challenging parameters within which to work. I believe they are reasonable parameters. The thinking that you you have put into the subject certainly motivates the thinking of the subcommittee.

Through efforts such as yours and your group's, we can, I believe, achieve the objectives that the subcommittee is attempting to achieve.

I wish to pay that tribute to you, and to give you full credit for the work that you have put into the background that led to the introduction of the legislation and has led to further the cause in terms of H.R. 4465.

Mr. Weiss?

Mr. WEISS. Thank you very much, Mr. Chairman.

I, too, want to express my appreciation and acknowledgement, not only for the contribution that Reverend Browne has made, but for his very clear statement of the crisis that we are in the midst of, both in this community and in this Nation.

Thank you.

Mr. HAWKINS. Mr. Jeffords?

Mr. JEFFORDS. Thank you, Mr. Chairman.

You certainly articulated very well the feeling of frustration of the people that you represent, and their problems.

It concerns me, when the youth are coming out at prevailing wages. It seems to me a little bit unrealistic, although I can sympathize with the feeling of frustration when they see the opportunities that others have, and aren't able to participate at the same level.

I think the reason is the realities of business. Let's say your purpose is to run a business for profit and you have an opportunity to hire a young person or an experienced older person. Your business is production, and you naturally want to maintain your production level. How can you not accept a subsidy to hire a young person who comes in at a lower level of skill and give him the training, and yet how can you avoid the problem of replacing someone that you don't want to replace. I understand that dilemma. But I think there is some realistic business reason to hire somebody who is not going to give you the productivity until he is fully trained.

Reverend **Browne**. I believe a young person will give you the productivity. I agree with you somewhat, but when I have to look at it from the point of view of a corporation, like the Chrysler Corp., which is a free enterprise and does employ 500,000 people around the country, to think that they come to the Federal Government asking for $1.5 billion as a free enterprise, when the middle management and the top management is making more than the poor man ever made, I can assume that politicking will still continue on, whether he makes it or does not make it.

Free enterprise will continue on anyway, why should the Government go out and help free enterprise, and not help the people.

Mr. **Jeffords**. I understand. Thank you.

Mr. **Hawkins**. I am tempted to ask you to comment on one matter that you brought before the committee, at the risk of politicizing the matter.

You indicated that you felt that the participation of young people in the political process was one of the most viable and effective ways of achieving some of the objectives about which we speak. May I ask you whether or not you have had any success in getting more young people involved?

One of the difficulties I have seen in various parts of the country is the lack of participation, not only of young people, but also of minorities and other groups that are extremely disadvantaged.

Having been involved in political activities myself ever since I was very, very young, it seems to me that we are drifting away from this, and seeing the great accomplishments of those who do participate, I am wondering whether anything is being accomplished by those of you who are trying to get more young people involved, and whether or not you have had some success yourself, and if so, on what basis?

Reverend **Browne**. We have had some success. This next year we will be working diligently to try to solicit and register young people between the ages of 18 and 30 to vote. There are approximately 45 million young people between the ages of 18 and 30 who would be able to vote in the 1980 Presidential election, and that is almost three-quarters more than the Presidential election of 1976, if we could get them all there.

The point is that young people are attracted to those things that make them happy, such as disco dances, basketball, and football, all the recreational activities. Yet, we have had some success having programs, where we have disco dancing, and have set up registration and mailing lists, and sending them all the information that is relevant to their issues.

Second, this year we are going to try to get a bill introduced, not only in New York City but in the country, that a young person, when he or she turns 18 in high school, it would be the principal's responsibility to see that that young person becomes a registered voter.

This law is already enacted in the State of Georgia. We hope that this law can be enacted in other States, too. We, as people, do not try to teach young people about politics and boards of registration, we lack that very much. The high schools are not teaching young people. They don't know anything about polling machines, or anything like that.

We are going into high schools, and we are teaching them about the political process, about voting. We have had some success in getting the young people to come to our meetings, and to hear about how important it is to tell our young people about voting, and we need more youthful Members in Congress, because the Congress is too conservative now.

They are worried about high military budgets, and high institutional spending, and high corporate taxes, and all that kind of thing. Young people did not understand that before, but they are beginning to understand it now. If you get some young people in there, and they start talking about education and jobs, and domestic issues in the Congress, even if we don't get any bills passed, we have attracted them to the political process of this country.

I believe that the Congress is not doing its job in helping young people understand what they are in Washington, D.C., to do, what their functions are, and how they perform them.

I think that somehow or other it is up to our Congressmen and Senators to get to the high schools and colleges, and explain to them how important it is for them to vote, and how it helps their job become much more easy because they are in tune with the people.

The young people are out of tune with the Congress. They are out of tune with the President. If we can get them to vote, and understand what the issues are to them, then I think, Mr. Hawkins, that it is going to pay off.

Mr. **Hawkins**. Reverend Browne, I appreciate the comments that you have made, and your very excellent statement.

The next witness is the administrator of human resources administration, New York City, Mr. Stanley Brezenoff.

Commissioner Brezenoff, we welcome you before the committee. Your prepared statement will be entered in the record in its entirety, withoug objection. You may proceed in any manner you desire.

STATEMENT OF STANLEY BREZENOFF, ADMINISTRATOR/COMMISSIONER, HUMAN RESOURCES ADMINISTRATION, NEW YORK CITY

Commissioner **Brezenoff**. Mr. Chairman, members of the committee, particularly Congressman Weiss, it is good to see you.

My colleague Ron Gault, commissioner of the department of employment, has already testified, I know, on the specific aspects of the legislation to be considered, and on the problems of youth unemployment in New York City, and my statement is a short general statement.

Essentially, I want to make three points that I think are important. One is of critical importance.

Until about 5 months ago, I was the commissioner of the department of employment with responsibility for running the CETA program. Since then, I have moved to the Human Resources Administration, which has among its chief responsibilities the administering of the welfare programs in New York City. This new position has given me an additional and, I must say, horrifying insight into the ravages of youth unemployment.

New York State is one of the States that has a general assistance program that goes beyond the federally supported welfare programs. Of the individuals on general assistance in New York City, some 32,000, or over 30 percent, are between the ages of 18 and 29, and these are by no means addicts, or alcoholics, or otherwise disabled persons. They are for the most part healthy, able-bodied young people who are on welfare because they cannot get a job.

Some 40 percent of the individuals enrolled in New York City's public works program, which is a workfare program, where in effect the individuals work off their welfare grants, are under the age of 30. These, I submit, these individuals are the aftermath of the youth unemployment problem. They are the result of our failure to be able to provide jobs, training, education, and so on, for young people, and we are running the risk, as a consequence of our failure, of creating a permanently unemployable group of individuals within our society.

I can think of no more damning indictment of our institutions and of our programs than the fact that 32,000 young people are receiving public assistance, and not because they are physically impaired in any way.

There are five employment eligibility welfare centers in New York City. I have visited them talked with the young people, and the others on the line. They lack basic skills. They have had little or no connection with the labor market. The work that they have had has, in the main, been transitory, dead end, casual.

Frankly, something has to be done or this group will grow. It is growing now.

There are two specific points which I wish to make in addition to this more general one.

First, my experience in administering the youth employment program as part of CETA in the city of New York, has convinced me that some kind of long-term funding is required if effective programs are to be developed and implemented.

This is true for two reasons. In a city as large as New York, and as complex, the mere requirements of funding, contracting, and program development are prodigious, and to go through a cycle like that each year after determining what amount of money is available and for what purposes, is counterproductive, and means that there are long delays in getting the money out there to do the job that is intended.

Second, long-term funding would enable the CETA program, and other institutions that are important to the skills development of young people, such as the board of education, to work more closely together, and develop complementary programs that feed into one another.

Frankly I think our experience tells us that short, intensified injections of skill training, without basic skill building, fundamental skill building, will not work.

The second point I would like to make is that, our recent experience under YETP and YCCIP has indeed been productive. There are a number of fine initiatives begun under these programs, and they are worth paying attention to for potential replication, for potential expansion.

New York City has been privileged to have a small youth incentive entitlement program, which we believe has been instrumental in keeping young people in school, in providing with income, and giving them a valuable job experience. I think that that program is one worthy of additional attention and expansion here in New York, and elsewhere.

Thank you.

[The prepared statement of Stanley Brezenoff follows:]

THE CITY OF NEW YORK,
HUMAN RESOURCES ADMINISTRATION,
New York, N.Y., September 17, 1979.

Mr. Chairman, Members of the Committee, my colleague, Ronald Gault, Commissioner of the New York City Department of Employment, is testifying today on specific elements of the proposed legislation. As a former employment commissioner in this City and present head of the Human Resources Administration, I would like to make a short and more general statement in support of these bills—indeed, of any legislation that would increase resources and programming in the area of youth employment.

Since coming to H.R.A., where my responsibilities include administration of the City's welfare system, I have gained a new, and horrifying, perspective on the meaning and effects of unemployment among teenagers and other young people. I have learned, for instance, that some 32,000 recipients of Home Relief, or over 30 percent of the Home Relief population, are between the ages of 18 and 29. These are not all addicts or alcoholics or otherwise disabled persons. They are, for the most part, healthy, able-bodied young people who are on welfare because they can't get a job. And their numbers are growing. Already, some 40 percent of those enrolled in the Public Works Program, which is the City's "workfare" program, are under the age of 30. Moreover, the Bureau of Labor Statistics reported last week that 35 percent of New York City youngsters between the ages of 16 and 19 who are in the labor force were unemployed this past spring, up from 23 percent at the same time last year. The jobless rate for minority youths, taken alone, is thought to be well over half.

The reality behind these numbers, the tragic waste they represent, is brought home with a visit to one of the Department of Social Services' Employment Eligibility Centers, where applicants for public assistance are screened for their "employability." It's a shock to see the long lines of teenagers and young adults there, waiting for the dole, idle, listless, bored, with no hope for the future.

The statistics I just cited and those long lines at the Eligibility Centers constitute, in my opinion, a tremendous indictment of our public institutions: Not only is the youth unemployment problem not being solved, but we seem to be creating a permanently unemployed—and unemployable—class of citizens in this country. I believe the Congress faces no less than a moral imperative to enact legislation and appropriate funds that will provide a remedy. Failure to do so swiftly will be a failure of conscience, of compassion, and of good sense. Recent studies have shown conclusively that joblessness and welfare dependency are repeated in families over generations, and that will continue to be so until positive interventions are made. We cannot turn our backs on our young people, especially not on those from disadvantaged backgrounds; we cannot give in to the deepening mood of conservatism in this country; we cannot continue to view our youngsters as economic burdens rather than potential economic assets.

Beyond those observations, I would like to address two issues that I feel strongly about as a result of my tenure at the New York City Department of Employment. First, direct experience with the uncertainties and anxieties of year-to-year funding prompt me to urge that any youth employment legislation recommended to the Congress call for appropriations over more than one year at a time. Such a measure would mean better long-range planning and, ultimately, better programs.

And second, I would urge the Committee in the course of its investigations to take full advantage of the experience of those who have been planning and running the programs authorized under the Youth Employment and Demonstration Projects Act for the last two years—and to focus its recommendations on supporting, expanding, and replicating the program that really work. I would advise particular attention to the projects of the Youth Entitlement Demonstration, which combine jobs and job training with basic secondary schooling, and to programs that serve a group of youngsters over time rather than the short-term one-shot efforts.

I recognize fully that we are undergoing a period of great economic strain in this country, that resources are diminishing, that there is little stomach on Capitol Hill or elsewhere for new initiatives on behalf of the poor and minorities, that the national mood is one of fatigue and disillusionment. But I also know that, in the end, all we have is our young people. They are this nation's future, and we fail them now only to our own extreme peril.

Thank you very much.

Stanley Brezenoff,
Administrator/Commissioner.

The Council of the City of New York,
New York, N.Y., September 21, 1979.

Hon. **Stanley Brezenoff,**
Commissioner, Human Resources Administration,
New York, N.Y.

Dear Commissioner Brezenoff: Thank you for sending me a copy of your testimony before the Congressional Subcommittee on Employment Opportunities reviewing bills H.R. 4465 and H.R. 4534.

I think your analysis of the subject and your sensitivity to the plight of and the long term effect on the group we statistically refer to as "Hard-Core Unemployed" is quite accurate and perhaps even understated.

I do find, however, that the traditional solutions we have used—the mindless, haphazard pouring of millions, even billions of dollars into the gamut of poverty, employment, Welfare and Ceta programs—have failed in the past, are failing in the present and will continue to fail in the future. I think it should be obvious to all that money alone is not the answer.

I am convinced that people who get money for nothing end up with a deep-rooted contempt for the system supplying it. In order to instill an attitude or sense of responsibility in individuals one must make (reasonable) demands in return for privileges extended.

In order to induce people to become part of the mainstream of life, they need to be treated as though they were part of it. People who are earning their way develop a greater sense of self-worth, and that is far more an incentive than merely handing out what are eyed as valueless dollars.

I believe that unless we add "strings" to our Welfare and employment programs, we will be faced with the same old failures and will never be able to reach out and touch this isolated and alienated segment of our society.

Additionally, we will continue to disillusion our diminishing "mainstream" who are being frightened and demoralized by our precarious and deteriorating financial position.

I am quick to admit that I do not know the exact strings, the specific conditionals, the details of what our programs should be, but we certainly have enough experts in the field. What I do know is that unless we have that essential give-and-take policy put into them, we will be wasting our efforts as well as our money and getting no place.

I cannot urge strongly enough a shift in this aspect of our planning.

Very truly yours,

Joseph Savino, Jr.,
Councilman-at-Large.

Mr. **Hawkins.** Thank you, Mr. Brezenoff.

May I specifically direct attention to the case cited of 32,000 recipients of home relief that you indicate are between the ages of 18 and 29. Are they educationally deprived; what do you read into their background that might have kept them from being in this particular situation?

Commissioner **Brezenoff.** I cannot say for certain. I will give you some of the characteristics.

First, New York City, we will have between 40,000 and 50,000 high school dropouts this year. I suspect that this is a pattern around the country. This group will be heavily population from a group of dropouts.

We have large numbers of young people who have some contact in their early teenage years with the criminal justice system, not necessarily serious occurrences in the sense that these are hardened criminals, but some contact on the streets. I forget what the statistics are, but nationally it is as high as one out of four black and Hispanic male teenagers will have some contact with the criminal system.

In any case, the group here has suffered from a lack of performance on the part of the education system. They will have a very low reading and mathematics skill levels, and will have had little or no opportunity for job training combined with that skill development.

There is also a high incidence of other kinds of social problems. I would not suggest that those things are not present in this population group, but the fact that they have reached this age without having been able to attend to their problems is the indictment.

Mr. **Hawkins**. Thank you.

Mr. Weiss?

Mr. **Weiss**. Thank you, Mr. Chairman.

Mr. Administrator, it is a pleasure to welcome you here, and I just want the record to indicate that not too long ago, when New York City received money for youth employment programs, that seemed to be only the beginning of the problem. It almost seemed, sometimes, that it would be better not to have the money, than to have the money.

It is only within the last 2 years, for example, since Mr. Brezenoff has been very much involved in the operation of the programs, that the summer employment programs have gone on without the usual chaos that entailed at the outset of the programs.

To the extent that this summer, as distinguished from previous summers, there was great community as well as public approval of the way that the programs ran, and were able to focus on what seemed to be real problems, but we did not have enough money coming from Washington for the operation of those programs.

I just want to indicate how pleased we are that you will continue your involvement with the employment programs generally.

Let me ask, on the basis of your experience in two areas. One, do you feel that there is room for, and what would you state in proof of that, greater coordination between various city and State youth employment programs?

For example, the vocational education program in the schools are sufficiently coordinated to the efforts that are undertaken by either the State or the city; what do we do to really remove some of the duplication, and sharpen the focus that these various elements should have, and make the best use, not only of the money, but of the resources that are available?

Commissioner **Brezenoff**. It is a good question. New York City obeyed the law, as it were, in the implementation of YETP, and the board of education worked out an agreement for the use of the 22 percent and, indeed, made an effort to cooperate. But I think both the board of education and the department of employment would agree that insufficient attention was paid, partly because of the time frame involved, to begin to develop a comprehensive system with vocational education being a major part of that system.

The vocational education system in the board of education in New York City is an extremely good one. It has reversed itself from what the pattern was a decade ago, when it was the stepchild of the public education system. Now it is not. Now, quite the contrary, young people are eager, clamor to get into the system.

In addition, the board of education has other fine training programs. They have the prime responsibility, in a sense, for making young people ready for jobs. I think a key toward getting the CETA program, the board of education, and other educational programs to work together in a longer time frame for the program, and insistence that it happen.

The plans that were developed for the CETA program this year went much, much farther in the requirements and in the plan that was designed here in New York City toward that end. But much more needs to be done, to be encouraged, to be required.

Mr. **Weiss**. The other area that I thought I might touch on. When this subcommittee held hearings last month in California, we were given a report on what is admittedly the beginning, the opening phase; in the course of the last 6 to 9 months there have been efforts to really try to match existing job opportunities with the training of young people for positions, and also older people.

There is a much closer coordination in seeking out companies which have special needs, for example, in the computer area, and training youngsters and adults for those positions. Taking someone on the site, taking them back for some more academic and theoretical training with assurances of jobs at the end of the road, because the companies are looking for people to fill those positions.

We had indications in earlier testimony today of needs in the very same industry, the computer industry, which indicates that in New York there seems to be a need for people in that field.

What efforts do you see that may be undertaken in this city to do the similar kind of a thing, so that in fact we are not training people for jobs that will not exist when the training is completed.

Commissioner **Brezenoff**. There are several things that are very important questions.

First, New York City has moved very quickly to develop the Private Industry Council that is called for in title VII. We put up some of our own CETA money to do that, and I believe the Private Industry Council here in New York is probably one of the few that has actively been functioning. One of its principal mandates is to develop training programs in conjunction with specific industries and to train people only for those.

Second, last year, together with the State employment service, the department of employment contracted for a labor market information network which established 13 task forces of employers within particular industries, hotels, and several others, who served as advisory bodies to indicate what positions needed to be trained for, and what was to be hands on and what was to be classroom, and so on.

Third, and this is the difficult one. In New York City there are, indeed, job opportunities, unfortunately, most of them, as a consequence of turn-over rather than new job development, as you are aware. Many of these jobs are not simply a question of taking specific training, such as you mentioned for computers, which is a growing field here in New York, but it gets to the question of the kind of basic skills that these individuals need to have before they can be trained for computer, and how we can combine those two things, if we are going to serve the individuals most in need, the people that the CETA program is supposed to serve.

The fourth point, in New York City, last year and since then, the CETA legislation seems to call for it more rigorously, we have begun to introduce in thoughtful way performance standards within contracts, that is, determining who the vendors are who should provide training, and making our funding decisions on the basis of how well these organizations in preparing and placing these individuals, and not contracting with organizations who do not produce jobs at the end of the pipeline.

So I think those four things.

Mr. **Weiss**. Thank you.

Mr. Jeffords?

Mr. **Jeffords**. As usual, Congressman Weiss has covered all the areas that I was going to cover, but I would like to know a little bit more about what the city, itself, is doing in the area of reevaluating its own educational programs.

Half the youth are not making it through the high schools. There is a tendency in the country, in some places, to say, the Federal Government has built a wrap-around system, and that is great if you don't have the funds in the basic system.

What kind of interplay is there in ascertaining how we can reduce the number of dropouts to the extent there are no dropouts, which is hopefully the goal. What should be done: One, to get the two programs to work more closely together and, two, to reevaluate the educational system and eliminate, hopefully, some of the problems that are creating the difficulties?

Commissioner **Brezenoff**. I think the point is well taken. Federal intervention is not necessarily the answer to the problems that we face. In particular, the board of education, there is new leaders in the New York City Board of Education, leadership that is committed to performance, and committed to establishing what it has already begun to establish, standards for curriculum, and has begun to reintroduce standards for teachers, and for principals, all geared to what it is that is being produced.

It is not an easy task. The last statistics that came out in New York City only a few days ago showed that some two-thirds of our high school students are way below grade in mathematics based on tests that they willhave to take when they graduate in order to get a diploma. But the commitment is there at the top, in the new leadership of the Board of Education, but it is still new leadership, and they are just now formulating new strategies and approaches for dealing with the problem.

It is clear that the dropout rate and the truancy rate are tremendous in New York city and, of course, the country, I think. It will have to be attached, or what we call our second chance programs will not be able to keep up. We can't keep up now. In effect, our youth employment programs are, by and large, second chance programs because the other institutions have failed. But I believe that

Frank Macchiarola is the right person to take on this capacity in New York.

Mr. **Jeffords**. Thank you.

Mr. **Weiss**. Thank you, we appreciate your testimony.

The next witness is Mr. William Allen, chairman, Task Force on Youth Development of the New York Urban Coalition, Incorporated.

Mr. Allen, do you have a prepared statement that you will be submitting?

Mr. **Allen**. Unfortunately I do not.

Mr. **Weiss**. Will you—whenever it is appropriate—submit a copy of your statement to the subcommittee, and it will be inserted in its entirety at the end of your testimony.

Will you proceed?

STATEMENT OF WILLIAM A. ALLEN, CHAIRMAN, TASK FORCE ON YOUTH DEVELOPMENT, NEW YORK URBAN COALITION, INC.

Mr. **Allen**. I am William A. Allen, chairman of the New York Urban Coalition's Task Force on Youth Development. I am here to give my official testimony on behalf of the millions of young Americans who look towards our leadership in the city of New York and throughout the Nation. It is only in this regard that we address the Subcommittee on Employment Opportunities.

It gives me great personal pride as a young American, living in Harlem, under the age of 21, to know that I have survived what many do not survive in communities like mine, and to address the concerns of other young people and insuring that meaningless rhetoric will be at a record low in our testimony today about the problems that we know exist among us as young people in this Nation. One of the problems is that nobody knows what solutions seem to be in order to combat this cancerous anti-body on the back of an inflationary economy.

America is a nation where adolescence holds greatest sway, first with compulsory secondary education, and now with more than half attending college, graduate and professional schools, we have lengthened the time and extended the scope of this unique period.

The new generation profiled here has inherited unprecedented opportunities. How it grapples with the other half of its generation, working out its own destiny, how it deals with the legacy handed down by past generations, will have a profound impact on the future of both black and white Americans. The dialogue should not be on how many more college trained Americans there are today, but it should be on how many more jobs there are in the labor market for all Americans.

While most young blacks are concerned about college entrance examinations, and whether they will get a good summer job, many others spend the majority of their time standing idle on street corners, or casing neighborhoods trying to decide who to rip off next, or which business will be an easy target.

For these thousands of black youth, crime is a way of life, a means of livelihood. These young people have been written off by America, disinherited by their communities, and drifting deeply into subversion. In spite of this, we cannot survive the threat of significant numbers of unchartered and unplanned lives of young people, particularly minorities with a stake in society.

At this very moment, we give testimony in Harlem, a community where crime is considered to be a norm, a way of life for the underclass, a new breed of Americans, who never made it to the "Promised Land" as Claude Brown might have expounded on, destroying a whole generation of young black Americans who never get an opportunity, or just do not take the time to develop their own talents and skills in areas of occupation, other than as number runners, pimps, or other forms of employment not listed in the employment participation rate that determines how many are employed or unemployed.

In 1977, 1.8 million juvenile offenders were taken into custody in this country, and 80 to 90 percent of these were black youth. According to the Federal Bureau of Investigation, there were 1,639 murder victims in 1977 between the ages of 15 and 19, and 702 of these were black. Black youth accounted for 53.4 percent of those arrested for violent crimes, and 29.7 percent of those arrested for property crimes.

If these alarming statistics are not indications of anguish and despair, then maybe we are accepting it as normal for black and poor communities around the Nation.

Statistics reported by the Christian Science Monitor in March of 1975 showed that during the marked increase in unemployment during the recession of 1974 and 1975, the majority of first-time offenders were unemployed. But yet studies by the Law Enforcement Assistance Administration show that the most likely victim of a crime is not white and middle-class, but a black, young, poor and uneducated male.

To establish a program for full employment, vocational training, and employment placement for all young Americans willing and able to work, will give rise or should make an impression to invite young people to join America in its efforts, such as a bill calling for involuntary national service.

"Today's 18- to 30-year olds will be calling the shots tomorrow, and if they are to survive and lead the rest of the race, they must get together now," John H. Johnson of Ebony Magazine stated at the National Urban League Conference in Chicago this summer.

We might have some great difficulty in Congress trying to get these two bills passed, or even noticed, H.R. 4465 and H.R. 4534, because of the unrealized voting potential of young blacks and other young people in this country.

In a commencement address to a predominantly black institution, our President, Mr. Carter, pleaded for greater political participation. "How are we going to have the leadership to fight for equal opportunity and affirmative action in jobs, schools, and housing, if even the act of voting is too great an effort?" he demanded. When Congress completes all debates on these two bills, there might not be any meat left to chew on them because as young people we do not exercise our political strength.

The severity of the problems facing young people demand solutions that go beyond inadequate piece-meal programs. We do not have to state which programs are not serving our needs. It is your job as representatives to seek out those people which these programs serve.

These two bills only represent a nitch in the cornerstone of a national youth program proposed by Vernon Jordan of the National Urban League, that would be the establishment by law of the right of all young people to self-determination, not only abroad but here in America, to educational and job training experience that will equip us for full participation in the economy.

These efforts on our behalf, on the behalf of young people, should be assisted by the passage of necessary laws and executive orders to prevent youth from being victimized by age and race discrimination. Occupational and licensing laws that impinge on youth employment should be examined and modified where advisable.

Credentialism, in the form of educational degrees and tests that downgrade potential, should be stripped away as befits barnacles on the ship of economy.

This commitment to youth would not only put our Nation on the road toward such a society, it would enable black youth to break the chains of poverty and discrimination that imprison so many millions of Americans.

Our future may lie beyond our vision, but it is not completely beyond our control. In the words of the late Senator Robert Kennedy, he stated during his Presidential campaign in 1968, "It is not realistic or hardheaded to solve problems and take action unguided by ultimate moral aims and values. We must begin to reinvest in America's future—its people."

There is an indication that young people who will benefit or be harmed by programs are still not invited to be heard. I think that the subcommittee ought to be concerned about the young people and the problems that we face. There is a need to hear not only from those who administer the programs that serve our purpose, but to begin to invite young people the particular programs serve to be heard.

Unfortunately, the task force had wanted to make a more detailed statement, but we only found out about your particular hearing last week. We called Congressman Ted Weiss' office, and spoke to a young lady there, and we indicated to her that we wanted to testify. At that time, she stated that the list had already been made a few weeks ago, and that we might have some difficulty.

I indicated to her that the young people in this city do have a little bit of political strength, and if we are not included in this hearing, we are going to be hurting in other ways. However, I now thank that young lady for inviting us to testify this afternoon.

That is the conclusion of my statement.

[The prepared statement of William Allen follows:]

PREPARED STATEMENT OF WILLIAM A. ALLEN, CHAIRMAN, TASK FORCE ON YOUTH DEVELOPMENT, NEW YORK URBAN COALITION, INC.

OVERVIEW

New York Urban Coalition's Task Force on Youth Development: There is least one group of industrious youths taking an active role in the way they are considered in all facets of their future. This carefully selected group of articulate youths and adults are putting forth a joint and combined effort for further development of youths, by being part of the NYUC Task Force.

Mr. Arthur H. Barnes, President of the New York Urban Coalition, Inc. expressed his views as well as the Coalition's view of the Task Force on Youth Development by saying (New York Voice, Saturday, May 12, 1979), "It has a great deal of potential because the timing is right to put forth such an effort in this International Year of the Child. The Task Force will put special emphasis on youths as a whole and youth's problems. The objective will be to seek solutions to the problems of our society from the perspective of youth—which until now had never been invited."

The Coalition's confidence in the Task Force, provides inspiration to the young leaders and other members who represents major organizations throughout New York City to press ever forward to meet the problems of youths head on. The Task Force has not been restricted to just young people.

To reinforce the Task Force commitment to young people, they selected William A. Allen, a pre-law student to chair such an effort. The goals of the Task Force is strengthen because of the memberships of Gregory McCants, youngest elected local school board official in the country, Steven Koppel, vice president of Columbia University's League of Student Voters, Errol Hart, youth columnist for the New York Voice, Jana Woodhouse, youth advisor to Senator Galiber, William Craig, former U.S. Capitol Page to Senator Javits, Ronald Thompson of 100 Black Men of New York, Attorney Antonio Brandveen, President of the Harlem Lawyers Association, the Reverend Gregory Brown of Youth March for Jobs, Myles Matthews of Congressman Rangel's office, John Bass, youngest member of the Board of Directors, YMCA of Greater New York and many more who give valuable.

The NYUC's Task force on Youth Development's main goal is to foster and enhance an ongoing relationship between young people, youth organizations, professionals in youth services and others, and to examine those policies that determine what happens to youths and to help generate the power of choice by bringing together the connection between legislation and its impact. We represent a joint relationship between young people and professionals.

EXECUTIVE COMMITTEE

William A. Allen, Chairman, Special Consultant for Youth Affairs, New York Urban Coalition, Inc.

Robert Coleman, Chairman, Economic Development, Executive Vice President, Junior Achievement of New York, Inc.

Honorable Gregory McCants, Chairman, Education President, Community School Board No. 4, Manhattan.

Attorney Antonio I. Brandveen, Chairman, Criminal Justice President, The Harlem Lawyers Association, Inc., New York City.

Steven Koppel, Chairman, Recreation, Columbia University's League of Student Voters.

Myrtle Barnes, New York Urban League, Inc.
John Bass, high school student
Brenda Belfield, New York City Youth Board
Jeffery Bellamy, N.A.A.C.P. Youth Council
Roscoe Bradley, Colonial Park Community Association, Inc.
Reverend Gregory Brown, Youth March for Jobs
Melvin Carey, Jr., Citizens Action for Safer Harlems, Inc.
Commissioner Diana Chapin, N.Y.C. Department of Parks & Recreation
Frederick Crawford, Harlem Professionals, Inc.
Pat Dempsey, Harlem YMCA
Martin Elliott, C.A.S.H.
Austin Fenner, high school student
Rafael A. Francis, Order of the Feather Fraternity (MINISINK)
Phillip Golding, Pen & Scroll Military Fraternity
Solomon Goodrich, Southern Queens Park Association
John Harris, Community Planning Board No. 10 Manhattan
Errol C. Hart, high school student
Thomas D. Hemans, New York City Youth Board
Leslie Lax, school teacher
Myles Matthews, Office of Congressman Rangel
Roger Naylor, Youth Counseling League, Inc.
William Nieves, ASPIRA of New York, Inc.
David Scott, Joe Yancy's Relays, Inc.
Ricardo Shark, college student
Myron Williams, Central Harlem Youth Council, Inc.
Eartha Warring, college student
Jana Woodhouse, college student

Joey Vialet, high school student
Winston Williamson, New York City Youth Board Youth Advisory Council
Jane Robinson, New York City Youth Board
Kathy Jarvis, Advocates for Children of New York, Inc.

MEMBERS

Debra Watson, high school student
Wendy Samuels, high school student
Cathy A. Bell, law student
Vincent Walker, high school student
Daniel J. King, high school student
Joy Willis, N.Y.C. Department of Parks & Recreation
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Craig S. Ramos, New York Urban Coalition, Inc.
Roy Oppenheim, Foundation for Student Involvement, Inc.
Julio Rodriquez, Center for Communications Studies
Caroline Rogers, Juvenile Justice Center
Mark Gordon, college student
Joseph T. Skerrett, Board of Education of New York City

I, William A. Allen, Chairman of the New York Urban Coalition's Task Force on Youth Development, hereby give official testimony on their behalf. To further give testimony on the behalf of the millions of young Americans, who look towards our leadership in the city of New York and throughout the nation. It is only in this regard that we address the Subcommittee on Employment Opportunities.

It gives me great personal pride as a young American, living in Harlem under the age of twenty-one to know that I have survived what many do not in communities like mine. To address the concerns of other young people and insuring that meaningless rhetoric will be at a record low in your our testimonies today about the problems—that we know exist among us as young people in this nation. One of the problems is nobody know what the solutions seems to be in order to combat this cancerous anti-body on the back of a inflationary economy.

America is the nation where adolescence holds greater sway. First with compulsory secondary education, now with more than half are attending college, graduate and professional schools, we have lengthened the time and extended the scope of this unique period. The New Generation profiled here has inherited unprecedented opportunities. How it grapples with the other half of its generation, working out its own destiny, how it deals with the legacy handed down by past generations, will have a profound impact on the future of both Black and White Americans. The dialogue should not be how many more college trained Americans there are today—it should be how many more jobs there are in the labor market for all Americans.

While most young blacks are concerned about college entrance examinations and whether they will get a good summer job, many others spend the majority of their time standing idle on street corners or "casting" neighborhoods trying to decide who to rip off next or which business will be an easy target. For these thousands of black youths, crime is a way of life, a means of liveihood. These young people have been written off by America, disinherited by their communities and drifting deeper into subversion. Inspite of this, we cannot survive the threat of significant numbers of unchartered and unplanned lives of young people, particularily minorities of a stake in society.

At this very moment, we give testimony in Harlem, a community where crime is considered to be a norm—a way of life for the "underclass", a new breed of Americans, who never made it to the "promise land" as would Claude Brown might expound on, destroying a whole generation of young blacks who never get an opportunity or just do not take the time to develop their own talents and skills in areas of occupations than the "number runner", "pip" or other forms of employment not listed in the employment participation rate that determines how many are employed or unemployed.

In 1977, 1.8 million juvenile offenders were taken into custody in this country, and 80 to 90 percent of these black youths. According to the Federal Bureau of Investigation, there were 1,639 murder victims in 1977 between the ages of 15 and 19, and 702 of these were black. Black youths accounted for 53.4 percent of those arrested for violent crimes and 29.7 percent of those arrested for property crimes. If these alarmingly statistics are not indications of anguish and dispair then maybe we are accepting it as normal for the black and poor communities around the nation. Statistics reported by the Christian Monitor in March, 1975, showed that during the marked increase in unemployment during the recession in 1974 and 1975, the majority of first-time offenders were unemployed. But yet studies by the Law

Enforcement Assistance Administration show that the most likely victims of a crime is not white and middle-class but a black, young, poor and uneducated male.

To establish a program of full employment, vocational training, and employment placement for all young Americans willing and able to work will give rise or should make an impression to invite young people to join America in its efforts, such as a bill calling for involuntary national service. Today's 18 to 30 year olds will be "calling the shots" tomorrow, and if they (we) are to survive and lead the rest of the race, they must "get together"—now, John H. Johnson of Ebony Magazine stated at the National Urban League Conference in Chicago this summer.

We might have some great difficulty in Congress trying to get these two bills passed or even noticed (H.R. 4465 and 4534) because of the unrealized voting potential of young blacks. In a commencement address to a predominatly black institution, our president, Mr. Carter pleaded for greater political participation, "How are we going to have the leadership to fight for equal opportunity and affirmative action in jobs, schools and housing, if even the act of voting is too great an effort?" He demanded. When Congress completes all debates on these bills, there might not be any "meat" left to chew on because as young people we do not exercise our political strength.

The severity of the problems facing young people demand solutions that go beyond inadequate piecemeal programs. We do not have to state which programs are not serving our needs, it your job as representatives to seek out those people in which these programs serves. These two bills only represents a nith of the cornerstone of a national youth program proposed by Vernon Jordan (National Urban League) that would be the establishment by law of the right all young people that would equip us for full participation in the economy. These efforts on the behalf of us, the young people should be assisted by passage of necessary laws and executive orders to prevent youth from being victimized by age and race discrimination, occupational and licensing laws that impinge on youth employment should be examined and modified where advisable. Credentialism, in the form of educational degrees and tests that downgrade protential, should be stripped away, as befits barnacles on the ship of the economy.

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Mr. HAWKINS. Thank you, Mr. Allen.

With respect to your statement about hearing from young people, let me indicate that this subcommittee has listened to a great number of young people across the country. The difficulty is that anyone who testifies becomes a leader, in a sense, rather than a person who strictly participates in a program.

The question, I guess, that I am asking you is, in addition to what we attempt to do in listening to people, and of course your time is limited to the number of people you can listen to in any particular day, you are always going to have those who will say, "You have not listened to the masses of young people, the masses of any particular group in society."

How else would you suggest we go about listening to, or hearing from the people that you think we should hear from?

Mr. ALLEN. I think any other way that any other subcommittee, or institution might go out and seek those people in the particular programs that they serve. For example, if you are holding a meeting on the business of America, you will invite the members of the business world. The same thing with the young people.

I have traveled all over the country this summer. I went to Chicago, Los Angeles, and Houston. I have been to Miami, and I have been to Atlanta, Ga., as well as New York City, and there are a lot of young people who are in leadership positions taking a detached look at those people who can be heard.

I am reminded of the young leaders that we have in this particular city. William Craig who has given some leadership as an 18-year-old who was a former Capitol page, who serves on our task force. Reginald Cash who is the youngest school board official in the country, and the president of the school board right here in East Harlem.

There are countless other young leaders throughout the country who have been heard and represent a constituency. It is the same thing that happened in the 1960's with young leaders like Stokley Carmichael, Julian Bond, and countless others who were heard at that particular time. These leaders still exist today and need to be heard.

Mr. HAWKINS. Are we not listening to them? Aren't they invited? Aren't you a representative of young people?

Mr. ALLEN. I am only one of them, Mr. Hawkins. I am here because I feel there is a stake, and I am more politically active than my other fellow young people in the city and, therefore, I find a need to be involved, and find time to do this.

What I am saying is, a lot of young people feel that they are not being invited to participate in the decisions that are being made for their community. There is a great need to have more outreach level. The same way you do to get the votes of senior citizens, you can do the same thing for young people.

I mean, look at the Presidential platform, none of the particular issues in the 1968 Presidential election, and the 1972, all the way down to the 1900's, have really never addressed the young people as a client, or as a partner in the American Government. These are the kinds of things that I am concerned about.

Mr. HAWKINS. Certainly, we want to accept the admonition that you think will help us to solve this problem. We have been listening to individuals who are both young and old, and many of those that we have listened to have control over some of the programs, and obviously, we are trying to reach them. We are trying to reach public officials because they make decisions as well.

We have to mix them up, to some extent, in order to reach the people, and in order to get the work done.

Let me also indicate that in addition to these hearings, we do go out on site visits, during which we go to the programs themselves, and we listen to the people who are in the program as well.

I was not trying to dispute what you were saying, but I was trying to find out in what way can we improve on that communication which we deem to be highly necessary and highly desirable, obviously. I think you have suggested that there are many other individuals, but the only trouble is, when you count prominent individuals and representatives, you still may be accused of not having reached those individuals who are not represented by some of the prominent names that you mentioned.

There is always an unfulfilled obligation, it seems. In listening to you, Reverend Browne, and to some of the other individuals here today, for example, we have, I think, obtained the views that members of the subcommittee need. If we can encourage some of the other Members of Congress to do likewise, it probably will help the work of this committee.

I am deeply appreciative of your views, and suggest that this committee will try to attempt to reach some of the others whom you have mentioned.

Mr. Weiss?

Mr. WEISS. Thank you very much, Mr. Chairman.

I, too, want to express my appreciation to Mr. Allen for his participation. I think it should also be said that the last hearing that this subcommittee held in New York, which was at the time that we were considering the original enactment of the youth employment legislation, which is now on the books, almost all the witnesses who appeared were, in fact, young people, and people who were directly involved in running the programs that they were in.

We were focusing at that time on new program obligations. My clear recollection, for example, is that we had a panel of 11 youngsters, most of them black and Hispanic, who had been taking a nontraditional educational approach because the traditional system had not worked for them.

One of the prime purposes of today's hearing, of course, is not ony to look at reauthorization for new legislative approaches, but as an overview of how the current legislation that we passed has been working. Because of that, I think, there has been a greater focus on people that are involved in running these programs.

The other thing I want to say, I think that all of us on this panel, certainly, and on the subcommittee, and most of us who are involved in government and politics, are not only accepting but are eager to have more and more young people participate in the political process.

The terrible thing that we witness is, in fact, that there are such insufficient numbers of young people that are participating that they are not receiving the kind of consideration that their plight, their concerns would warrant. Today there are not many who participate, but there will be retribution if you don't reach out to them.

I can assure you that your present participation here today is not because of the political power that young people have, because they don't. One of the reasons, for example, that senior citizens have begun to receive more and more attention for their concerns and their needs is because they participate.

I am delighted that you are one of the leaderes who are, in fact, trying to bring about greater and broader youth participation because it is desperately needed. I don't think, in fact, the young people are going to get the kind of attention that they deserve until what you think exists now, that is power of political retribution or reward, does, in fact, exist.

This was by way of comment. Now let me ask you a specific question.

Could you expand somewhat on the description of the program that you involved in, what is it that the Task Force on Youth Development has been doing. Tell us what you have been doing, and what your aims are, and hopes are for this coming year?

Mr. ALLEN. We have an overview statement which clarifies what the task force is about. It was taken from an article which was written about it:

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> Mr. Arthur H. Barnes, president of the New York Urban Coalition, Inc., expressed his views as well as the Coalition's view of the Task Force on Youth Development by saying, "It has a great deal of potential because the timing is right to put forth an effort in this International Year of the Child. The Task Force will put special emphasis on youth as a whole and youth's problems. The objective will be to seek solutions to the problems of our society from the perspective of youth, which until now had never been invited.
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>
> The NYUC's Task Force on Youth Development's main goal is to foster and enhance an on-going relationship between young people, youth organizations, professionals in youth services, and others, and to examine those policies that determine what happens to youth and to help generate the power of choice by bringing together the connection between legislation and its impact. We represent a joint relationship between young people and professionals.

There is a whole slew of young people in New York City who consider themselves to be leaders, who ought to really assist, either in the subcommittee's deliberations, or the New York City Youth Board's deliberations, or the New York State Division for Youth's deliberations.

We are trying to identify other young people who we find to be leaders. We appeared before the League of Women Voters last Wednesday, discussing the importance of the young voters not wanting to participate, and all the things that must be done to get them to participate.

Remember, these are a different kind of element of the community or the country. These are the kinds of persons who are still under parental control. They are still part of the family. One of the things that we are concerned about is that people sort of recognize the fact that we are not voters, but we would like to participate more socially in American Government, and to really be heard.

We understand that Congress dictates, and other people have to be heard in order to get a more collective ground view of trying to deliberate over a particular bill. We are very concerned, not only with this subcommittee, but various committees and subcommittees in Congress that need to listen to young people.

I am talking about the committee that is handling SALT II, and does that relate to future Americans. That is a bill that concerns me, as a young American. I must say that I am very concerned about SALT II.

So we are not just concerned about youth employment. We are concerned about the whole American picture, and the whole international picture as well. The implication that you make here today of past bill that relate to young people, that these bills are going to serve.

We are talking about American people who are going to choose a William Allen to take the place of Augustus Hawkins, or Stephen Koppel to take Ted Weiss' place as Congressman from Washington Heights, and so on. If young people today are not given these kinds of incentives, or opportunities, we are going to be a lost generation.

I can walk into my community and talk to other young people in Harlem, where I go everyday, and they know of my involvement politically and attending college and the question is always about a job. But the question is not only about a job, but it is getting some skills.

I don't know how many young people you have been talking about that have been involved in these employment programs, but I think that you will have to do a lot more talking to them.

I am really serious about not only listening to the administrators, but really listening to the clientele, whether it is a bill affecting senior citizens, you have to listen to those people. If it is a youth program, and the young people are not being served by these programs, then who are these programs serving?

Therefore, I just want to say that you have to remember the client, or the constituencies involved in the particular bills. That is my concern.

Mr. **Weiss**. Thank you.

Mr. **Hawkins**. Mr. Jeffords.

Mr. **Jeffords**. Thank you, Mr. Chairman.

Mr. Allen, I wanted to tell you that the subcommittee has had a number of field hearings where we have been talking with young people who were in the program.

I would just ask one question; if you can give me an answer to it, it will solve a lot of problems.

I am shocked at the dropout rate in New York City. Over half of the young people dropping out before they get through high school. Tell me why?

Mr. **Allen**. Anybody who reads the newspapers knows about the lack of jobs. The kids that are in school, going from 9th to 12th grade, anything that can be done to clarify their education and training.

If you talk to an average black person who attends public school in New York, and you ask him the reason why he goes to school, or if you ask what he thinks of his school, he will probably say that his school is not teaching him, or providing him with the skills that can be useful in the labor market. He might say that it does not interest him. Or he might say that because of peer pressure, he is not involved.

There are a lot of things that a young person can say about the different situations in the high schools. I am really proeducational experience. The unemployment problem is not going to be solved by putting a person through an educational system for 12 or 13 years, when at the end of it he cannot get a job. He does not have any skills.

Most minority people cannot get into college or into training programs because they lack skills. Then he ends up in the service, in the Army, which is supposed to be the lowest branch. After 2 years of being in the Army, he finds himself right back on the street, without any skills, back in the same tenement, doing the same things that he did 2 years ago.

So young people see this individual go through the educational system, the military system, and come back, and he is still the same. This is a very serious problem, especially when we are talking about national military service, or involuntary service for young people, because today they cannot see any reward in completing their education in secondary schools.

Then you have the problem that they come from poor families in the city of New York. If they live in a tenement, they have the problem of not having heat or hot water. They have the problem of assisting the mother with the other kids, and all the problems that still exist, which existed in the 1930's, for the minorities in this country.

I think the article in Time, in August 1977, which was entitled "The Under-Class," was clear about what is happening to young people today through the educational system. But one thing I believe is that if we are going to develop new work opportunities, there is going to have to be a stronger transition from school to work. Today, there is no such thing.

Two weeks ago, I was talking to Congressman Rangel, who is in the Ways and Means Committee, and he was indicating how he was trying to push for a stronger incentive in terms of schoolwork for people. As I have already explained, when you get out of high school, there is very limited work opportunity.

Now, I think everybody is begging IBM for jobs, and these other companies to come to our aid. This should not be the case. These companies should be willing to invest in young people, who are the future of America, because I believe that the future of America is not only in its resources, but it is in its people.

If we don't have any people 20 years from now to be the leaders of this country, to be the Congressmen, the mayors, the Senators, and even the garbage collectors, we are not going to have a country at all.

I don't know what the other young people across the country have been telling the subcommittee, but I can invite you to meet other young people in this particular city that maybe can give you a different picture from what you saw across the country.

Mr. JEFFORDS. Thank you very much.

I have been invited by Congresswoman Chisholm to come up here and visit with some of the young people. I am looking forward to broadening my own experience. Perhaps I will see you again.

Thank you very much. You have been very, very helpful.

Mr. HAWKINS. Thank you much, Mr. Allen, for an excellent presentation. I certainly accept your suggestions and recommendations. You may feel free to continue your communication with the committee, and any future witnesses you believe the subcommittee may profit from hearing will be included to the extent that we possibly can, in any future hearings.

Mr. **Allen**. Thank you very much.

Mr. **Hawkins**. Our next witnesses consist of a panel of Mr. George Carson, Vocational Foundation, New York; and Mr. Mel Mungin, private industry council, New York.

We will hear first from Mr. George Carson, Your statement, Mr. Carson, is before us, and will be entered in the record in its entirety. We would appreciate your proceeding in any manner you wish.

STATEMENT OF GEORGE CARSON, EXECUTIVE DIRECTOR, VOCATIONAL FOUNDATION, INC.

Mr. **Carson**. Thank you, Mr. Chairman, and members of the subcommittee, ladies and gentlemen. I am George Carson, vice president/executive director of the Vocational Foundation. We appreciate very much this opportunity to comment on H.R. 4539 and H.R. 4465, sponsored by members of the subcommittee.

Vocational Foundation, Inc., is a nonprofit, voluntary job counseling, and placement service established in 1936 to place youth between the ages of 16 and 19 in private sector jobs. VFI's special interest and focus are youth who have a history of delinquency or drug abuse.

Since 1969, VFI has made some 14,632 placements in private industry.

In an attempt to assess where we could be most valuable in the employment for young people, the trustees of Vocational Foundation sponsored a private conference in August 1974 with representatives of business, labor, and government. As a result of that conference, and in response to the deteriorating rate of labor market participation among youth, VFI began in 1976 by narrowing its target population to young people between the ages of 16 and 19 who have been most severely affected by the rate of unemployment.

In 1975, VFI, through its research arm, did a study of 1,090 youth offenders. We found that the vast majority felt that because of histories of contact with the law, some 73 percent of them felt that they were being discriminated against, and relevant to this legislation, felt that some special assistance would be appropriate.

In October 1977, VFI released a white paper entitled, "Our Turn to Listen," which attempted to correlate the relationship between employment, education, and crime based on extensive interviews with New York City teenage dropouts. The study concluded with the identification of 10 job barriers and 10 recommendations for overcoming those barriers which, if eliminated, should expand youth participation and access to jobs. I am submitting a copy of those recommendations to the subcommittee.

In an effort to stimulate private sector participation in the employment and training of youth, VFI, in June of this year, began the publication of a national newsletter, You and Youth, which is directed to the private sector. This newsletter helps to stimulate private sector participation by presenting workable models of programs, and interpreting Federal legislation for business. The current circulation is about 10,000, and is growing.

Under CETA and YETP, VFI operates a total of six programs, encompassing straight job placement, on-the-job training, remedial education, et cetera. One of the general problems is the lack of flexibility in combining programs and components.

Second, in the recent years, the increasing paperwork has been a burden, and as a result has increased our administrative costs, and decreased our services to clients. The recent enactment of the CETA eligibility guidelines in New York has also had an adverse effect. I think within the first 3 months, we saw a 50-percent drop in our client enrollment, and perhaps an 80-percent drop in our placement activities, which in our view constitutes another barrier in terms of the client.

Since most of our clients are referred to us from other agencies, they come with a degree of skepticism, and a disbelief that they are really going to get jobs. They see the eligibility identification process as a delaying tactic, and something to give them a runaround. It is a very big problem for us.

Briefly described, our client population is as follows: We have an average age of 17.8; 10 years and 4 months in school; a reading achievement of just under seventh grade; and a math achievement of about 5½ years. The IQ is average at around 94, which means that the population falls within the general range of intelligence.

Our ethnic breakdown is about: 68.6 percent black; 23 percent Hispanic; 7.3 percent white; and about 0.8 percent other. About 40 percent of our population has had no previous work experience, and 77 percent are high school dropouts; 65 percent of them are male, and 35 percent are female.

We very much endorse the concept of full employment vocational training and employment placement program that is targeted to disadvantaged youth. Based on my understanding, we are talking about 1.2 million youth to close the gap between white and minority youth. Some estimates to accomplish this have run as high as $15 billion.

We know that long-term joblessness at ages 16 through 19, and 20, and so on, affects earnings and job stability later on. To interrupt that pattern, which has socioeconomic ramifications in other costly and mandatory areas, such as criminal justice, mental health, and welfare, we would recommend that this legislation be:

One: Specifically targeted, among others, at out-of-school 16- and 17-year-old youth who are generally excluded by legislative oversight and administrative intent.

Two: That preference be given to quality programs that do not "cream," and provide education and work/skills training components.

We further recommend that the legislation provide for:

One: Adequate planning time, specifically if the private sector is to be involved.

Two: That there be timetables for funding and development of regulations so that programs are able to operate full term.

Three: Consideration should be given to extending contracts beyond a year, 18 months, or to guarantee refunding upon evaluation to insure continuity of service and retention of experienced and qualified staff.

Four: Recognition must be given to need for preparation for work and supportive services: family counseling, interpersonal relations, referral services, budgeting, to mention a few needs.

Five: Given the general grade level achievements in reading and mathematics, general equivalency diploma preparation is probably not a realistic goal for a significant number of school dropouts within the contract time of most programs.

Six: This suggests the need for alternative schools that combine work and training with remedial education, job-related education, and GED preparation. It is not reasonable to expect to make 16- or even 18-year-old nonreaders achieve a GED in less than a year.

The 5-day period for achieving job placement does not appear to be adequate, particularly if job retention remains a major criterion for judging a program.

Again, the special needs of the youth population are for:

One: Preparation for work—relations, grooming, interviewing techniques, et cetera.

Two: Adequate assessment of skills, interests, and learning abilities.

Three: Development of an education and/or career plan.

We would further recommend that consideration be given to providing part-time employment for youth who need training or extensive remedial education and counseling to become more employable or eligible for training.

Finally, we are of the opinion that the private sector can do more than it is, but so can we by insuring that the young people we train and refer are indeed employable.

Young people today are still faced with age and race discrimination, credentialism, inadequate preparation and the lack of access to the labor market. These factors are especially applicable to minority youth and a significant number of children of the working poor.

VFI, prior to 1977, had an active employer list of about 2,200. When we reduced our age group from 21 down to 19, we lost approximately 700 employers. We did a random survey of our employers, we found that for some reason or other, 60 percent of our employers were not interested in hiring youth under 18.

I suggest that in the absence of some alternative, we have a large population of youngsters, which will remain unemployed.

One comment in terms of the Weiss bill, there is a growing significant number of the children of the working poor who, perhaps, do not strictly meet the convenants built into the guidelines. Nevertheless, it seems to me that some provision ought to be made for these youngsters.

Thank you.

[The prepared statement of George Carson follows:]

PREPARED STATEMENT OF GEORGE CARSON, EXECUTIVE DIRECTOR, VOCATIONAL FOUNDATION, INC.

Mr. Chairman, Distinguished Members of the Sub-Committee, Ladies and Gentlemen.

I am George Carson, Vice/President—Executive Director of Vocational Foundation, Inc., 44 East 23rd Street.

We appreciate, very much, this opportunity to comment on H.R. 4539 and H.R. 4465 sponsored by members of the sub-committee.

Vocational Foundation, Inc. is a non-profit voluntary job counseling and placement service established in 1936 to place youths between the ages of 16 and 19 in private sector jobs. VFI's special interest and focus are youths who have histories of delinquency or drug abuse.

Since 1969, VFI has made some 14,632 placements in private industry.

In an attempt to assess where we could be most valuable in the employment for young people, the trustees of Vocational Foundation sponsored a private conference in August 1974 with representatives of business, labor and government. As a result of that conference, and in response to the deteriorating rate of labor market participation among youths, VFI began 1976, by narrowing its target population to young people between the ages of 16 and 19 who have been most severely affected by the rate of unemployment.

In 1975, VFI through its research arm did a study of 1,090 ex-offenders and civil disabilities. The results of the study which were passed on to the New York State Legislature where that some 73 percent of the 1,090 offenders we interviewed felt discriminated against because of their arrest, conviction or imprisonment, which clearly affected their applying for or getting specific jobs. Parenthetically, most were members of a minority and unskilled. Among our conclusions that are relevant to this legislation, were the need for specific targeting; special program consideration help, and affirmative action or civil rights protection.

In October 1977, VFI released a white paper entitled, "Our Turn To Listen," which attempted to correlate the relationship between unemployment, education and crime based on extensive interviews with New York City teenage drop-outs. The study concluded with the identification of 10 job barriers and 10 recommendations for overcoming those barriers which if eliminated should expand youth participation and access to jobs. I am submitting a copy of those recommendations.

In an effort to stimulate private sector participation in the employment and training of youth, VFI, in June of this year, began publication of a national newsletter, "You and Youth" which is directed to the private sector. This newsletter insert presents models of private sector initiatives; generally reports on who in industry is doing what, and how; and interprets relevant Federal Legislation for business. Current circulation is about 10,000 and growing.

VFI operates a total of six (6) programs under CETA and YETP. Our general problems are:

(1) The lack of flexibility in combining programs and components.

(2) Burdensome and increasing paper work that increases administrative costs, decreases service to clients, and constitutes in the area of eligibility certification a barrier to clients seeking service.

Briefly, described, our client population is as follows:

Age	17.8
Education	10.4
Achievement:	
Reading	6.9
Math	5.5
IQ	94.0
Ethnic Breakdown:	*Percent*
Black	68.6
Hispanic	23.1
White	7.3
Other	.8
Have drug and/or correctional backgrounds	47
Have *No* previous work experience	37
Are high-school drop-outs	77
Males	65
Females	35

We very much endorse the concept of a full employment vocational training and employment placement program that is targeted to disadvantaged youths. Based on my understanding we are talking about 1.2 million youth to close the gap between white and minority youths. (Some estimates to accomplish this have run as high as $15 billion dollars.)

We know that long term joblessness at ages 16 through 19, 20, and so on affects earnings and job stability later on. To interrupt that pattern which has socio-economic ramification in other costly and mandatory areas such as criminal justice, mental health and welfare, we would recommend that this legislation.

(1) Specifically target, among others, out-of-school 16 and 17 year old youths who are generally excluded by legislative oversight or administrative intent.

(2) That preference be given to quality programs that do not "cream", and that provide education and work/skills training components.

(3) We further recommend that the legislation provide for:

(1) Adequate planning time, specifically if the private sector is to be involved.

(2) That there be time-tables for funding and development of regulations so that programs are able to operate full term.

(3) Consideration should be given to extending contracts beyond a year (18 months) or to guarantee refunding, upon evaluation to insure continuity of service (programs) and retention of experienced and qualified staff.

(4) Recognition must be given to need for preparation for work and supportive services: family counseling, interpersonal relations, referral services, budgeting, to mention a few needs.

(5) Given, the general grade level achievements in reading and mathematics. General Equivalency Diploma Preparation is probably not a realistic goal for a significant number of school drop-outs within the contract time of most programs.

(6) This suggests the need for alternative schools that combine work and training with remedial education, job-related education, and GED Preparation. It is not reasonable to expect to make a 16 or even 18 year old non-reader achieve a GED in less than a year.

The five day period for achieving job placement does not appear adequate, particularly if job retention remains a major criterion for judging a program.

Again, the special needs of the youth population are for:

1. Preparation for work: Relations, Grooming, Interviewing techniques, etc.
2. Adequate assessment of skills, interests and learning abilities.
3. Development of an education and/or career plan.

We would further recommend that consideration be given to providing part-time employment for youths who need training or extensive remedial education and counseling to become more employable or eligible for training.

Finally we are of the opinion that the private sector can do more than it is, but so can we by insuring that the young people we train and refer are indeed employable.

Young people today are still faced with age and race discrimination, credentialism, inadequate preparation and the lack of access to the labor market. These factors are especially applicable to minority youths and a significant number of children of the working poor. Until some equality of participation is achieved for these young people we would endorse a targeted full employment and training program.

Respectfully submitted.

GEORGE CARSON,
Vice-President/Executive Director,
Vocational Foundation, Inc.

Mr. HAWKINS. Let's hear from Mr. Mungin, and then we will have questions for both of you.

Mr. Mungin of the Private Industry Council, we welcome you before the committee.

STATEMENT OF MEL MUNGIN, PRIVATE INDUSTRY COUNCIL, NEW YORK CITY

Mr. MUNGIN. Mr. Chairman, I thank you, and the distinguished members of your subcommittee, ladies and gentlemen, for this opportunity to address the Youth Employment Act of 1979, as proposed in H.R. 4465, and H.R. 4534.

Let me first apologize for not having a written prepared statement. The Private Industry Council has spent the better part of the last 2 weeks preparing for Career Opportunity Day that we are holding right now for New York City's Civil Service CETA workers, who are about to be terminated.

We have gotten together large employers from all over the city who are at our offices today, to interview approximately 400 CETA workers for possible employment in the private sector. This is just one indication, I think, of the concern of the private sector employers for the problem of unemployment, not just youth, but adult unemployment also.

We support H.R. 4465, and we are particularly pleased to see the tie-in of employment for youth, provided that the youth resume or maintain attendance in secondary school. I think that one of the problems that we have found in our dealings with youth this summer in the vocational exploration program is that the youngsters need additional motivation to either stay in school, or return to school.

We found some instances of youngsters, just by virtue of the fact that they worked this summer with a private employer, who saw the need for going back to school, and finishing school. As I said, I like the idea that this clause is in H.R. 4465.

We are in favor of nonresidential institutional skill centers, if they are planning with sufficient local business and industry involvement. It is the only way to insure that the skills taught will be marketable. Business/industry/labor input should be sought at the beginning, and maintained throughout.

In addition, the curriculum and facility should be flexible enough to change with the local labor market. Our experience, for instance, with vocational high schools here in New York City is that it takes several years to make a change in curriculum, and in many instances, schools are still teaching skills that are not longer marketable.

We feel that if a skill center is set up, it must be flexible enough to drop a program when needed, or pick up a program when needed.

Scheduling of such a center should be on a full-day and evening basis, with day care facilities to permit attendance of part-time and full-time underemployed workers as well as young parents.

The day care facilities would be similar to those run by several colleges, in that they would provide day care facilities for students as well as the training facilities for people going into early childhood careers.

On title II, we believe that a more comprehensive and legislative linkage needs to be established between the various titles dealing with youth and programs that impact upon youth and youth employment.

One of the problems that we had this summer in developing work sponsors, and we had 106 employers, from small companies to large companies, involved this summer in our youth employment program, and one of the problems we found in dealing especially with the larger employers is that they were hit by several youth programs, and there was no coordination.

We would call one day, and someone else would call another day. We had one local union that we were using this summer for employment who had us confused with another program. On the first day of the program, we sent nine youngsters and another program sent nine youngsters, and they expected only nine. We both had to cut our program.

So there needs to be some coordination of the various programs that are dealing with youth and youth employment and unemployment.

We support title V with a special emphasis on the promotion of the consultation of school systems with private employers in the development of curriculum. I know that the Office of Career and Occupational Education and the Board of Education have gone a long way toward developing curriculum, having employers, industry, and labor involved in developing trade curriculum. But we believe that more needs to be done in a mandated way to assure that, again as I mentioned with the institutional skill centers, the curriculum is marketable, that the skills being taught are skills that are needed now and will be needed tomorrow.

Private sector employers are concerned and are committed to resolving the problems of youth unemployment. However, again, they must be involved in the planning stages and, perhaps, this needs to be mandated as it is in the present title VII.

We support H.R. 4534 if there are business, industry, and labor representatives on the National Youth Full Employment Board, and if emphasis is placed on preparing, as opposed to giving or providing young people with jobs. Again, using our summer vocational exploration program experience with the youth, they were not prepared for the real work force.

This is especially true of the youngsters who had worked past summers in the public sector, where they were involved in recreational programs, where they spent the summer taking kids to the park, playing ball, and what-have-you, and seemed to think that this was what the real work world was all about. When we placed them with private employers, many of them could not handle it, and they were let go in the first week or so, because they did not know the importance of getting to work on time, the importance of dressing properly, and all the rest that goes into the real world of work.

So we feel that something needs to be placed in this bill to insure that some preparation is given the youngsters before they handed a job, otherwise we will continue to have a revolving door kind of thing. They will only have a job for a short time.

They need to have some counseling, some occupational information, some guidance, not only beforehand, but in that first 6 months of job adjustment before they are let go. They need to have some time, some place, some counseling center, some person, some agency where they know that if they have a problem that they cannot handle on the job, they can go to this individual and help resolve.

This is especially true of supportive services. Again, this summer we found some youngsters who had not had a medical checkup in years. We had one youngster who was given a physical by her employer prior to starting, and found that if she did not go into the hospital in a few days she would have just dropped from sickle-cell anemia, and it had been undetected.

This was one glaring example, but it shows up the fact that whatever program we provide for our young people, we need to insure that some coordination is made with the supportive services available and some means are available for the young people to get from wherever they are to the supportive services.

It is not enough to say, here is a book, here is where you go, but something needs to be done so that they know where they are going, someone goes with them. In some cases, they need glasses, they need teeth fixed, all kinds of things that can impact upon their ability to maintain a job.

It is not enough to say, jobs, if we cannot provide youth with the wherewithal to keep the job, and move up within it, and fit it into their own career goals. This wherewithal includes the remediation as well as the medical and social services that I mentioned earlier.

In addition to the large and small employers that we had involved in our program this summer, we also had several of the local labor unions. We had young people working in union offices, not on union jobs but they got a chance to see behind the scene the labor movement as such.

As part of our program this summer, we also had people from labor come and address the young people. Here, again, we feel that this is something that the youngsters need to know. Not just the private sector, but what unions are all about, giving them the option. Whether they want to go into a union kind of position or not, they need to know in forming that picture of the real world of work.

The majority of the firms that we dealt with this summer, and as I said before we had over 100, 106 firms involved, have expressed interest in continuing in similar kinds of programs like the one we ran this summer.

Let me say a bit about it. The summer vocational exploration program was a special part of the New York City summer youth employment program. The difference between our program and the normal program was that we had 500 youngsters in the private sector, giving them to the private sector employers on a full-time basis, 9 to 5, 5 days a week, for 7 weeks.

It was an experimental program because it was the first time that the Federal funds had been in such a fashion, the summer youth employment funds. We are impressed with the fact that 75 percent of the companies have said, yes; when you do something like that again, we want to be involved.

Approximately 35 youngsters have been employed, either part time or full time, as a result of the summer experience, even though there was nothing in our contract with the individual employers to push for postprogram job opportunities.

Today you need experiences like those offered by the vocational exploration program. Young people know very little about the real world of work, and need to get to know it prior to high school graduation. The vocational exploration program takes young, unknown youth into job shadowing, and actual hands-on experiences in private business and industrial sites, and introduces them to jobs and careers, and what is needed to get them, keep them, and to get them to move up.

The motivation to complete secondary education, and for some to go on to college or trade school is provided by coworkers and supervisors at the worksite as well as counselors paid for by the Private Industry Council.

Although New York City has many large firms, the Private Industry Council feels that special efforts need to be made with smaller companies and entrepreneurs. It is with this group of smaller firms that future jobs must be found. Obviously, in the aggregate, smaller firms will employ more people than the larger firms.

In addition to special outreach methods, special training programs may also have to be developed to address the job, specific job skill requirements of smaller companies.

The Private Industry Councils have only been in existence a short time. Nevertheless they have proven themselves to be very effective. The Private Industry Council's business, industry, and labor representatives like the fact that they have contact with their peers from other industries. They are particularly pleased to be asked to provide input to program design which will affect them, such as OJT and the vocational exploration program.

This upfront involvement assures the private sector employers that the skills programs will meet their needs. It also assures potential trainees that they will be learning marketable skills.

The Private Industry Councils, however, are appreciated for cutting through the bureaucratic redtape which often delays programs, and sometimes brings them to a premature standstill. They stand, in many cases, as a buffer between the companies and burgeoning governmental diplomacies.

Thank you very much.

Mr. HAWKINS. Thank you, Mr. Mungin.

Mr. Weiss?

Mr. WEISS. Thank you very much, Mr. Chairman.

This has been very important testimony. I am grateful to both of you. The newsletter seems like really an excellent piece of work. I am sure that before long you will be oversubscribed.

Mr. CARSON. We have received favorable reaction, but we have not become oversubscribed, particularly in terms of the private sector. Ninety percent of our subscriptions, unfortunately, are from nonprofit organizations.

Mr. WEISS. What do you think is the reason for it?

Mr. CARSON. One of the reasons, I think, is that it is basically our marketing strategy, but there is another fact, and that is there is a lot more talk in the industry about hiring youth than there is basic action. The interest, I believe, is somewhat limited.

What we see that we have to do is to reach the decisionmaker in private industry to get wider participation. I don't think that industry has ever with open arms accepted the extreme condition that there was a labor shortage and embraced youth. I think if you take a look into recent years, the summer jobs have been principally held by nondisadvantaged youth.

The whole youth field requires entirely new marketing, both from the Government point of view, but also affirmative action strategy from the industry point of view.

Mr. WEISS. Would you think that the creation of the Private Industry Councils may be a step toward bridging that problem?

Mr. CARSON. Very significantly so; yes.

Mr. WEISS. Mr. Mungin, I note that it is still in the very stages of title VII efforts and the Private Industry Council's work. Also, I am aware of the fact that in New York we have had a headstart on it because the city employment department anticipated and provided some advance funding out of CETA money to make it work.

What is the prognosis, as you see it at this point, as far as the expansion of the program which, of course, will have to be geometric for any kind of real improvement of the problem.

Mr. MUNGIN. The emphasis in our Private Industry Council is still on the adult on the adult population as opposed to the youth. I have been with the Private Industry Council now for about 4 months. We are planning a very small winter title VII portion in youth, maybe 100 youngsters to be involved. Our hope is that with the 1980 funds, we will be able to do a larger program. Right now, we are talking about 1,000 youngsters for next summer. What we will do between now and next summer is not yet clear.

More needs to be done, and one thing we learned this summer is that the youth are easily bored. The theory that young people do not want to work has been proven to be untrue in dealing with the real youngsters. The real complaint that we got this summer was that the youngsters were bored. The employers were not ready for them.

One of the things that we are trying to do with next year's program, which we are starting to plan now, is to make sure that employers will have work for them, and that we select the youngsters who need it most, and can profit most by the experience.

Mr. WEISS. You stated a statistic which I lost as to the percentage of youngsters who were retained or kept on, even though there was no contractual requirement.

Mr. MUNGIN. It was not a percentage. The number so far, and we are still contacting the employers, the number so far is 35 youngsters. We had 477 youngsters at one time or another during the 7 weeks participating. Approximately 370 were present on the final day of the program, August 24.

So it is not a large percentage, but as I said, we are still contacting employers. One of the reasons that we like the idea of having young people get their vocational exploration in the private sector is that there is this opportunity. These were, for the most part, not jobs that the companies had open, but spots that they made available because the youngsters proved themselves during the 7 weeks in the summer.

Mr. WEISS. You have made reference to the fact that it takes such a long period of time to get the vocational educational programs changed, even after there is recognition that, in fact, they are not related to real world needs in the private sector.

Is there the beginning, at last, of an ongoing dialog trying to relate more closely what is being taught in the vocational education programs with the needs of the private sector?

Mr. MUNGIN. One of the things that I mentioned is the Board of Education's Center for Career and Occupational Education, on their advisory board, they do have business, industry and labor representatives. They have been doing a lot to bridge this gap, to get employers involved in actually writing curriculum for some of the vocational schools.

However, the past experience has been that it takes a while. We are talking about facilities, and equipment in a particular school, and it takes a while to change over, let us say, from an electronics course teaching about tubes, to one that teaches transistors and dials, and whatnot. This is the kind of thing that I am talking about.

If there is a school, and I hope to God there is not, still teaching electronic tubes, it would take a while to stop that and start up something new because of the expenditure of funds, and curriculum writing, and what-have-you.

What we are proposing in terms of a skills center is that it be flexible enough, so that if you hear that a company has just gotten a contract to make widgets, and needs 50 widget-makers, in a short period of time, a widget-making training program could be set up, with samples of widgets, or what-have-you. Then if you no longer need that a year from now, the program could be dropped, and another program set up.

This is the kind of flexibility that a skills center needs to have. It cannot be stuck with a course that is no longer marketable.

Mr. **Weiss**. Thank you very much.

Mr. **Hawkins**. Mr. Jeffords?

Mr. **Jeffords**. Congressman Weiss, in his usual manner, has already asked all my questions.

Thank you very much.

Mr. **Hawkins**. May I ask you, Mr. Mungin, why it is that the targeted tax credit has not proven to be as successful as some of us anticipated in order to get involvement from the private sector? Do you have any comment on that?

Mr. **Mungin**. I really don't know. My suggestion would be much like Mr. Carson's newsletter, "You and Youth." It is a good thing, but the word still has not gotten out, I don't think, to the employers.

Mr. **Hawkins**. Mr. Carson?

Mr. **Carson**. One think is the information. It is still not being properly marketed. We have been trying to get the material in a straightforward, simplified manner to our employers, and there have been some difficulties. There are a few pamphlets out. I believe that the principal problem is marketing.

Mr. **Hawkins**. Is that a deficiency on the part of the Government, let us say, the Department of Labor, or is it a deficiency in the private sector itself?

Mr. **Carson**. It could be a combination of both. I believe, generally, when one attempts to bring the Government and the private sector into a working relationship, it is very difficult. There is usually a great deal of suspicion on the part of private industry of Government, and I don't believe that Labor has been as sensitive as it might be to the needs of private industry. We find this in our mediative role most often, and it is particularly true in OJT. This is one prime reason why I believe that the Private Industry Councils might be able to work most effectively.

Mr. **Hawkins**. Again, Mr. Mungin and Mr. Carson, we thank you for your participation, and excellent testimony. It was very well prepared, and certainly the subcommittee will profit from it. Thank you.

Mr. **Carson**. Thank you.

Mr. **Hawkins**. The next panel of witnesses is composed of Mr. Richard Powers, Director, Youth Employment Program, People's Development Corporation; accompanied by Ms. Delores Person; and

Joyce Hartwell, Executive Director of the All-Craft Center of New York City.

We welcome you all as witnesses. Mr. Powers, I guess you are the anchor person. If you would care to proceed at this point.

STATEMENT OF RICHARD POWERS, DIRECTOR, YOUTH TRAINING AND INCENTIVE PROGRAM, PEOPLE'S DEVELOPMENT CORP.

Mr. **Powers**. My name is Richard Powers, and I am currently the Director of the Youth Training and Incentive Program, which is a program of the People's Development Corp., located in the South Bronx.

My primary purpose in testifying today was to familiarize you with the type of legislation, and the type of program that we specifically operate, and what our experience has been in running that program, and what type of things can be done to replicate that program and make it more useful to other groups.

I first want to give you some statistics on the South Bronx. The housing stock in the South Bronx is basically tenements built in the 1930's and 1940's. Within the Community Planning Board No. 3 in which PDC works, 90 percent of the property is owned by the city of New York. There are 500 acres of vacant land in the South Bronx caused by abandonment and demolition.

The per capita income of the South Bronx is estimated at approximately 40 percent of that of residents of other boroughs, and approximately one out of three residents is on some kind of public assistance.

Between 1965 and 1975, 40 percent of the manufacturing jobs in the South Bronx were lost, and an estimated 300 business firms have left the area since 1973, estimating a loss of over 10,000 jobs.

The South Bronx has been designated medically underserved by HEW, and has a high infant mortality rate as well as high rates of venereal disease, drug abuse, and other diseases.

The youth of the South Bronx bear the brunt of many of these social ills. According to the last census, the youth population of the South Bronx, ages 15 to 24, was estimated to be approximately 50,000, or about one-third of the total population of the South Bronx.

Unemployment is estimated to be at 60 percent in an area where overall unemployment is estimated as approximately 30 percent.

On any given day, there are an estimated 200,000 youth truants in the New York school system. On the average, youth coming out of the New York school system test well below average in reading and mathematical skills, and many are functioning illiterates.

In addition, the South Bronx is the first borough of New York City to be a majority black and Hispanic. In the 1960 census, blacks and Hispanics constituted approximately 55 percent of the total population of the Bronx, that percentage is far greater today.

We currently operate the youth training and incentives program of the people's development corporation. We are 1 of 10 national demonstration youth employment YCCIP active projects, funded by HUD through an interagency agreement with the Department of Labor.

We have approximately a $500,000 grant from HUD, and matching funds of approximately $59,000 from the New York State Division for Youth.

The purpose of the demonstration was to fund local community development corporations to see what the results would be on a nationwide YCCIP youth employment program, and compare these results to the results of locally funded prime sponsor YCCIP projects.

We are the only program of this type in the city of New York. We feel that this type of funding has proven quite valuable, and we have learned a considerable amount about the best operation of the program. There seem to be several key areas.

One: Planning time: Sufficient time must be allocated to properly plan the program prior to the start-up date. Our current program started up 1 month from the date that we received our grant.

Two: Projects: Projects are essentially made to planning, and having projects in place prior to start-up, precipitates the youth involvement, and is the key to keeping the project moving. As far as possible, youth should always be involved in intensive skills area training in YCCIP projects.

Three: Discipline: Strong discipline must be maintained as a programmatic objective of many programs. The program should function, as far as possible, like a business. The discipline reinforces the employment skills which many youth lack. That is, teaching people how to get to work on time, not to walk off the job, and be back from lunch on time, etc. We estimate that for every youth that we do hire, there are probably another 1,000 youth in the Bronx that are also in need of employment.

Four: Supervision: Under the current mandates of the program, 25 percent of the budget is allowed for supervision and training. However, proper supervision is the key to the successful implementation of this program. Adequate funding must be allowed which will allow programs to hire skilled craftsmen who can also work and supervise youth. This area has been one of our principal problems, again, in part due to the mandates of the program. This does not allow us to hire skilled journeymen to work with the youth. This area, I feel, should be adjusted to approximately 50 to 55 percent of the budget spent for wages and apprenticeship for youth, and expand the area allocated to supervision to be able to hire excellent supervisors. This, in turn, will expand the resources of the program, and make the program a meaningful training tool for the youth involved.

Five: Work productivity: Work productivity should be established as one of the primary priorities in any YCCIP projects. Currently we operate under a contradictory mandate in that we are expected to have a certain level of GED acquisitions from any participants that are involved in the program. The program simply does not allow for sufficient planning around those different areas, and does not provide adequate time to do both.

Finally, it is our belief that youth can plan and implement themselves when given the opportunity to do so. We feel that youth participation is an integral part of any program. We have found that youth can and do maintain an interest in self-government of the program, when given a chance.

According to a study by Boston University's Regional Institute on Employment Policy, several regions stand out when you look at YCCIP programs run by the local community development corporations, and those run by the prime sponsors.

By and large the community development corporations seem to be involved in more comprehensive work than the prime sponsors, have better qualified, more highly skilled supervisory staff, a better supervisor to participant ratio, and are involved in more intensive skills area training for the youth.

Of course, these factors impinge upon many factors. I would have to refer to you to the Boston University study for a more detailed analysis.

In addition, I would also like to include some of the recommendations that Boston University has made to Bill Stern of the White House domestic policy staff regarding program replication for the YCCIP programs. These recommendations apply to the prime sponsor funded projects as well as the projects funded through the local community development corporation.

One: Placement: The primary focus of YCCIP programs should be seen as work experience, with some additional training and education. In programs where youth are learning construction skills, for instance, only a small percentage actually seem interested in pursuing construction as a livelihood by the end of the program. Therefore, most placements and other positive terminations will be outside the area of direct training relevance.

Two: Education and supportive services: Although these components were left out of the program designs of the original HUD projects, every program involved added its own. These programs are of unquestioned importance. However, they should be made into on-the-job activities. Classroom time should be viewed as an escape from work. Also, a significant portion of the workday should not be used for educational purposes in the classroom.

Furthermore, we believe that separate, expanded educational programs can and should be developed by local community development corporations as a resource for the YCCIP program.

Three: Program rules: One year limitation on participation and enrollment is too short. Some participants, especially young participants, need to be enrolled in the program for longer than 12 months. It is much harder to place that person in any type of nonsubsidized private sector employment. Others will be, of course, before a 12-month period. With the lengthening of the possible enrollment figures, grants should be given to programs for a minimum of 2-year periods.

The smallest program should have approximately 50 participants, and grants should be made no smaller than $500,000. High fixed overhead costs, the benefits achieved in skills in a variety of projects and crafts, make larger grants easier to administer and possibly better for the participants involved.

Recently, an article in the New York Times reported the findings of the Vice President's task force on youth unemployment. It stated that in interviews and discussions with employers all across the country, many employers stated that the primary obstacle to youth being able to get and maintain employment is that most youth lack academic skills to maintain employment.

After reading the legislation that you have proposed, it seems to me that the legislation should be part and parcel of any type of comprehensive program that has to do with youth employment.

Of special interest to me was the Interagency Coordinated Commission for Youth Employment. As it exists now, there is a great need for better planning and coordination of comprehensive programs to deal with the overall problem of youth unemployment.

However, I do feel that any package dealing with youth employment in the future should institutionalize, as part of the formula funding, continued YCCIP funding directly to local development corporations. I feel that this has proven to be a vital resource for several reasons.

One: YCCIP has proven to be a valuable employment and training tool for youth. By involving youth directly in the redevelopment of their own communities, you are encouraging new interest on the part of the youth of our communities to see that our communities are maintained. YCCIP, then in that case, becomes a tool for redevelopment of concrete community assets.

Two: In areas as depressed as the south Bronx, there is a definite asset in simply employing youth. This should not be taken lightly. The need for employment is severely crucial at this time in the south Bronx and other areas of the country.

Three: By funding local community development corporations directly, the Federal Government is taking a first step in minimizing the redtape and bureaucratic entanglements often associated with Government programs. The administration of our program in dealing with the Federal Government has been very straightforward and easy to administer.

Four: Direct funding to local community development corporations has proven that community organizations can operate, administer and maintain youth employment programs as well as the prime sponsors, and with more positive results to the participants involved and to the community.

In closing, I would just like to say that I feel now is the time for a massive, comprehensive, and coordinated campaign to be mounted to eradicate youth unemployment. The legislation that you have introduced and other youth programs now on the books should all be tools that the Federal Government uses to try to employ and train youth.

I would hope that continued training for the local community development corporations would continue to be a vital part of any type of legislation that is put through Congress.

Thank you.

[Statement to be furnished follows:]

People's Development Corp.,
Youth Training and Incentive Program,
Bronx, N.Y., September 19, 1979.

Representative Augustus F. Hawkins,
Committee on Education and Labor, Subcommittee of Employment Opportunities, Rayburn House Office Building, Washington, D.C.

Representative Hawkins: Enclosed are copies of the testimony I gave at your recent subcommittee hearings in New York City.

I hope that our testimony has made clearer the need for all types of programs dealing with youth unemployment.

If we can be of any further assistance in the future, please call.

Thank you.

RICHARD POWERS,
Acting Project Director.

My name is Richard Powers. I am currently the Director of the Youth Training and Incentive Program of the People's Development Corporation located in the South Bronx.

First, some statistics on the South bronx. The housing stock in the South Bronx is basically new law tenements built in the 1930's and 1940's. Within Community Planning Board #3, in which PDC works, 90 percent of the property is owned by the City of New York. There are some five hundred (500) acres of vacant land in the South Bronx caused by abandonment and demolition. The per capita income of South Bronx residents is estimated at 40 percent that of the residents of the other boroughs of New York City and one out of every three residents is on public assistance. Between 1965 and 1975, 40 percent of the manufacturing jobs in the South Bronx were lost and an estimated 300 business firms have left the area since 1973, estimating a loss of over 10,000 jobs. The South Bronx has been designated medically under-served by H.E.W. and has one of the highest infant mortality rates in the country, as well as high rates of venereal disease, drug abuse, and other diseases.

The youth of the South Bronx bear the brunt of many of these social ills. According to the last census, the youth population of the South Bronx, aged 15–24, was estimated to be 50,000, or about one-third of the total population of the South Bronx. Youth unemployment is estimated as high as 60 percent, in an area where over-all unemployment is estimated at 30 percent. On any given day, there are 200,000 youth truant from the New York city school system and, on the average, youth coming out of the New York City school system test well below average in reading skills and many are functionally illiterate.

In addition, the Bronx is the first borough of New York to be more than 50 percent Black and Hispanic. In 1960, Blacks and Hispanics constituted approximately 55 percent of the population and the percentage is far greater today.

We currently operate the Youth Training and Incentive Program. We are one of the ten National Demonstration Youth Employment YCCIP Porgrams funded by H.U.D. through an Inter-Agency Agreement with D.O.L. Our current funding is $500,000 from H.U.D. and $59,000 from the New York State Division for Youth. The purpose of this National Demonstration Project was to fund local Community Development Corporations (CDC's) to see what the results would be on administering a YCCIP program and compare these results to the results of locally funded Prime Sponsor programs and compare the results. We are the only program of our kind in New York City. We feel that this type of funding has proven quite valuable and that we have learned a considerable amount about the best operation of these programs. There are several key areas:

(1) *Planning time.*—Sufficient time must be allocated for the proper planning to ensure program success prior to start-up. Our current program was started up just one month from the date that we received our grant.

(2) *Projects.*—Essentially linked to planning, having projects in place precipitate youth's involvement and is the key to keeping the project moving. As far as possible, youth should be involved in intensive skill areas of training.

(3) *Discipline.*—Strong discipline must be maintained. The program should function as far as possible like a business. This discipline reinforces the employment skills which many of our youth lack. (For every youth we employ, there are another 1,000 youth out there who need a job.)

(4) *Supervision.*—Proper supervision is the key to success. Adequate funding must be allowed which in turn will allow the programs to hire skilled supervisors. This area has proven to be one of our principal problems, because according to the present mandates of YCCIP Legislation, 65 percent of funding must be spent on wages and fringes for participants, 10 percent on administration, leaving only 25 percent for supervision and training. This does not allow us to hire supervisors of journeymen skill to work with our youth. The area of wages and fringes for youth should be reduced to 50–55 percent so as to allow greater flexibility in the hiring of qualified supervisors. By doing so, you would expand the resources of the program and make the program a more meaningful training tool for the youth participants.

(5) *Work productivity.*—Work Productivity should be established as the primary priority of YCCIP projects. Currently, we operate under contradictory mandates from H.U.D., in that we are told that a guide post to the success of the program is our ability to help participants obtain their G.E.D. We do not have the time or resources to do both.

(6) *Youth participation.*—It is our belief that youth can plan implement for themselves when given the opportunity to do so. We feel that youth participation is an integral part of the program. We have found that youth can and do maintain an interest in self-government.

According to a study by Boston University's Regional Institute on Employment Policy, several areas of distinction stand out as we look at YCCIP programs run by the local CDC's and those run by the Prime Sponsors. By and large, the CDC's seem to be involved in more comprehensive work than the Prime Sponsors, have better qualified, more highly skilled supervisory staff, better supervisor to participant ratio, and are involved in more intensive skills area of training for youth.

Of course, these factors are contingent upon many factors and I would have to refer you to that Boston University study for a more detailed analysis.

In addition, I would like to include some of the recommendations Boston University has made to Bill Spring of the White House Domestic Policy Staff regarding program replication of YCCIP Programs. These recommendations apply to Prime Sponsor funded projects as well as CDC projects.

(1) *Placement.*—The primary focus of YCCIP programs should be seen as work experience with some additional training and education. In programs where youth are learning construction skills (which are all 10 HUD funded projects), for instance, only a small percentage show any interest in pursuing construction as a livelihood past the end of the program. Therefore, most placements and other positive terminations will be outside the areas of direct training relevance.

(2) *Education and supportive services.*—Although these components were left out of the program design for the HUD projects, every program added its own. These programs are of unquestioned importance. However, they should be linked to on-the-job activities. Classroom time should not be viewed as an escape from work. Also, a significant portion of the work day should not be used for this purpose. Furthermore, we believe that expanded, separate educational programs should be developed which could then be resources for the YCCIP programs.

(3) *Program rules.*—The one year limitation on participant enrollment is too short. Some younger participants need to be in the program for longer periods of time while preparing for and finding employment in the private sector. Of course, some participants will not be with the program for 12 months. With the lengthening of the possible enrollment period, grants must be given for a minimum of two years.

The smallest program should have 50 participants and grants be no smaller than $500,000. High fixed overhead costs, the benefits achieved with scale and the variety of projects and crafts generated make larger grants easier to administer and possibly better for participants.

Recently, an article in the New York Times reported the findings of the Vice President's Task Force on Youth Unemployment. It stated that in interviews with employers across the country, that most employers reported the lack of job skills and basic academic skills remained the principal obstacles to youth employment on a massive scale. The legislation introduced by this subcommittee, Mr. Weiss and Mr. Hawkins, would go far to begin to eradicate this problem. Of special interest to me is the Inter-Agency Co-ordinating Committee for Youth Employment. There is an incredible need for better, more massive, comprehensive, and coordinated effort on the part of the Federal government to deal with youth unemployment. In addition, a more massive monetary commitment is required by the Federal government if we are going to be serious about dealing with this problem. Irregardless, this legislation is a strong, positive first step in the right direction.

However, I would hope that any package dealing with youth unemployment in the future will institutionalize, as part of its formula funding, continued YCCIP funding directly to local CDC's. I feel that this has proven vital for several reasons:

(1) YCCIP has proven to be a valuable employment and training tool for youth. By involving youth directly in the re-development of their communities, you are encouraging new interest by our youth in seeing that their communities are maintained. YCCIP then becomes a tool for re-development and a concrete community asset.

(2) In areas as depressed as the South Bronx, there is a definite asset in simply employing people. This should not be taken lightly. The need for employment is crucial at this time.

(3) By funding local CDC's directly, the Federal Government is taking the first step in minimizing the redtape and bureaucratic entanglement usually associated with government programs. The administration of our program has been fairly straight forward.

(4) Direct funding to local CDC's has proven that community organizations can operate, administer, and maintain youth employment YCCIP programs as well as

the Prime Sponsors and with more positive results to the participants and the community.

In closing, I would like to reiterate again the importance of a massive, comprehensive, coordinated campaign against youth unemployment being mounted now. There is no time to waste. This campaign will have to be broad and many-faceted and will include all the programs that have been laid out today. I hope that what has been learned from the operation of programs in the past will be incorporated into effective programs in the future. I believe that the development of grass roots, effective community organizations will be the cornerstone of one aspect of dealing with this problem. I hope that this subcommittee will continue to read the struggle to keep alive the issue of youth unemployment before the eyes and ears of the Congress.

Thank you.

Boston University,
College of Liberal Arts,
Boston, Mass., July 24, 1979.

Mr. William Spring,
Associate Director, Domestic Council Policy Staff,
The White House, Washington, D.C.

Dear Bill: It was very nice seeing you, and I hope we can get together again soon. I wanted to draft quickly a letter to you, basically outlining the issues we discussed. We are preparing a formal memorandum on program replication for Tom Glynn and will forward a copy to you when it is ready. As we indicated on the plane, Roy and I consider certain issues to be important:

A. *Work orientation.*—The projects must be oriented towards the goal of work accomplishment, which entails:

1. The objective of a relatively high level of productivity.
2. An organizational structure conducive to work accomplishment, with training as a dependent and secondary objective.
3. The willingness to impose strong work discipline, including, for example, the termination of participants who do no work.
4. The hiring of supervisors who have both sufficient skills to perform the various work tasks and the ability to supervise youth.

The choice of designated operators for the programs must focus on the decision makers' assessment of the organization's ability to fulfill these goals. Clearly, the organization should have experience and organizational objectives in the area of community development. The program's financial structure and budget should provide relatively high salaries for supervisors who, when appropriate, might be union journeymen. Negative termination rates, which so preoccupy the Prime Sponsors, cannot be over-emphasized in the operation of the program, if the work orientation is to be maintained.

B. *Placement.*—Although of considerable importance, placement may not necessarily be the major output of a successful work program. First, the condition of the local labor market has an inevitable impact on placement rates. Second, we have some indications that initial placement success may not be a good predictor of long-term job success because some percentage of the positive placements in the early stages of the program may not be long-lasting. Many of the participants placed in, or who found their own jobs are no longer there after a few months. Long-term job impact is unclear.

The primary objective of the programs should be seen as work experience with some additional training and education. In those programs where the youth are learning the skills associated with construction trades, only a small percentage seem actually interested in and planning to seek work in the trades after termination. Therefore, most placements and other positive terminations will be outside areas of direct training relevance. On the other hand, participants seem to be positively affected by their work experience, although the long-term impact of this is unknown.

C. *Work accomplishment.*—The work an organization selects can have a significant influence on program success. Certain kinds of work are easier to organize than others, both in terms of logistics and site supervision. The more difficult types of work require sophisticated organizations with planning capability and more lead time. Given the character and dynamics of particular communities, certain kinds of work have a greater impact on the neighborhood and might be more appropriate. Finally, certain types of work can have more positive effects on participants, including the potential for more significant training.

1. Work selection

A program that combines home repair and weatherization is easier to organize than extensive housing rehabilitation. For the latter, more leveraged resources are required, greater coordination between different parts of the program is necessary and, in some cases, more highly skilled supervisors are a must.

Home repair is fairly easy to organize because contacts and agreements can be worked out easily with a number of homeowners. When one home is completed, another one can easily be found. Materials can be purchased in any hardware store or lumber yard; no sophisticated designs are required, and heavy equipment is unnecessary. However, home repair programs that provide significant assistance to homeowners, as well as training opportunities, require a mix of tasks for participants to complete. Programs should work on the range of problems that a house may have, e.g. the need for a new roof, weatherization, reconstruction of the porch, improved wiring and exterior painting. A program that only painted the exterior, or only added some insulation would not be effective in solving the physical problems of the house, would also not be as good a training vehicle and would also not maintain the interests of the participants. A program that only added insulation without the necessary accompanying home repair would also be ineffective as a weatherization program. The condition of the entire house, including the heating system, should be considered.

In areas of multi-family dwellings (as opposed to single-family homes), a home repair program may have several additional obstacles, including regulatory income limits on beneficiaries, non-tenant-owned housing, etc. in New York and some other central cities, the latter problem may be mitigated by the fact that so many buildings are actually owned by the City government.

Programs which focus on building rehabilitation require planning time and planning capability. This type of extensive work should not be tried as an initial activity. Organizations should only do this type of work after gaining experience and building internal management and skill. Extensive rehabilitation work may provide more sophisticated tasks on which participants can work. However, larger scale projects will also have more menial work. While the work on extensive rehabilitation may have a longer-term impact on the community and provide for more skill-training potential, fewer residents will be directly affected than in a large home repair program.

It is possible for groups to combine the types of tasks on which they work. However, there are certain issues of which to be mindful. There are always points where "filler" work has to be found, and there are always funding or material provision arrangements that do not work out as expected. Larger scale rehabilitation can be combined with home repair, so that when there is a lull in the activity, maybe for one craft, there are then smaller home repair projects on which to work. It may be a problem combining a number of projects funded by different agencies. There is a greater chance of having participants out of work when one project is delayed.

2. Leveraging for work

Matching materials money with labor money appears to be a major problem. Without the leveraging of funds that are in addition to the basic YCCIP grant, work must be fairly low-scale: it becomes boring, provides relatively little assistance to homeowners and lacks training potential. The sources used by the HUD programs for material funds include:

(a) Homeowner contributions: For programs utilizing these funds, work is fairly small-scale and may not assist those most in need. However, some homeowner contributions are fine and demonstrate interest on the part of the homeowner.

(b) CDBG funds: This is the most flexible money but can only be arranged locally. The organization is required to be "in" politically, and must be in the pipeline early. Programs are always limited by municipal priorities. Often CDBG grant periods do not coincide with YCCIP.

(c) CSA weatherization funds: These funds have been relatively difficult for non-CAPs to get. The money can only be used for certain, limited types of work. You can install insulation, but what happens if the home really needs a new roof? We have heard that the rules are even more stringent now that they have become the responsibility of DOE.

(d) Other funds utilized: A contract with HUD to rehabilitate abandoned houses, money from a state Housing Finance Agency, contracts with local housing authorities and community agencies, grants from Neighborhood Housing Services, et. There are a number of possible arrangements, but each has its problems and limitations.

To leverage funds, particularly while the program is in operation, diverts resources and staff from program management. Extensive leveraging, except in more sophisticated organizations, is extremely difficult. Therefore, if possible, some materials money should be contained within the grant. If programs have to get materials and labor from more than one funding source, attempts should be made so that the grants would be made simultaneous and allocations parallel to the labor grant period. Restrictions on the materials money should be eased or various sources combined (e.g. weatherization and CDBG).

It is important to minimize low-skill work over the long term for which quality standards are not evident and for which the purpose, use or beneficiary is unclear. Participant morale, interest and motivation are easily lost. this suggests that street and lot clean-up, some painting work, and very low-scale housing repairs are not as good as work assignments as the housing repair and rehabilitation work. Often the low-skill work that some of the Prime Sponsor YCCIP programs have engaged in is a product of not having money for materials and supervisors rather than the choice of the program staff.

D. *Supervisors.*—The qualifications of the supervisors must match the scale of work. The supervisors are one of the keys to program effectiveness. They get the work done, provide role models for participants, teach them necessary skills and help them to acquire jobs. The supervisors should have similar backgrounds. For instance, programs that have used Title VI to pay for supervisors have not demonstrated the skills necessary for sophisticated work. (This is even more of a problem under current PSE income limits.) Supervisors must be paid well, often much more than the program directors! The major constraint on salary limits for supervisors is that 65 percent of the grant must be spend on participant salaries. If one wants low participant to supervisor ratios and higher skill supervisors, a greater proportion of the budget must be allocated to the salaries. Given the current program structure, 50 percent for participants is more reasonable.

E. *Education and supportive services.*—Even though these components were left out of the program designs for the HUD projects, each program added its own education and supportive services effort. These efforts are of unquestioned importance. However, they must emanate from and should be matched to the work experience; that is, training must focus on or be phased with the on-the-job activities. The educational efforts (i.e. achievement of GED, etc.) should be provided for those participants who feel more formal education is needed in their lives. The successful programs should encourage and support this. Many participants read at a third to fifth grade level and are, therefore, far from their GED. For that reason, development of programs for basic education must be a priority.

Classroom attendance should not be viewed as a way to get away from work. A possible solution might be classes organized after work. One day per week or a few hours could be allocated to education. A significant period should not be taken from the work.

F. *Program rules.*—The one-year limitation on participant enrollment is too short. Some participants need to be in the program for longer than 12 months, particularly younger enrollees who have, we have been told, considerable difficulty finding jobs in the private labor market. Many of the older participants will not stay in the program for a full year. With this lengthening of the possible enrollment period, grants must be given to programs for a minimum of two years.

The smallest programs should have about 50 participants, and grants should not be smaller than $500,000. High fixed overhead costs, the benefits achieved with scale and the variety of projects and crafts generated make larger grants easier to administer and possibly better for participants.

G. *Grant Recipients.*—The capability and commitment of the organizational recipient of the grant is another important factor in achieving program effectiveness. Projects require substantial overhead commitments and they must be integrated into the ongoing operations of the parent organization. These factors should be demonstrated in advance of the choice of designated operators, where feasible. Newer organizations, or those without housing development experience, will require substantial technical assistance to develop the projects.

If you would like some amplification, specifics or evidence on any of these points, let us know. Hope to talk to you soon about this.

Sincerely,

JAY OSTROWER.

Mr. **HAWKINS**. Thank you, Mr. Powers.

The next witness on the panel is Delores Person.

STATEMENT OF DELORES PERSON, YOUTH PARTICIPANT

Ms. **Person**. My name is Delores Person. I am working with the youth training and incentives program. I am involved in an audiovisual project that has trained me and my fellow workers in that particular field, photography, video taping, and all sorts of profitable experience.

I would like to say right now that the People's Development Corp. is a very good asset for the community of the south Bronx, mainly because we have youth involvement throughout the whole south Bronx as far as participation, community involvement, everyone gets together and builds apartments, buildings, and stuff like that.

I also feel that yough unemployment is mainly because of the fact that there are no jobs out here, except for experienced people.

I also feel that the People's Development Corp.'s youth training program is good because it gets the yough off the streets. It involves them in creative work activities, such as plumbing, wiring, carpentry and drafting. All these skills are necessary when you apply for a job, and also in the renovation of the buildings that are needed throughout the south Bronx, where most of the buildings are pretty messed up.

They work in the buildings, put up wiring, fixtures, fix the floors. Also, the audiovisual production center documents the activities that are going on throughout the south Bronx.

As far as the future aspect of this, right now the youth training and incentive program seems to be fading out. The youth, such as myself, I am supposed to be leaving the program October 31, so as of October 31, I will be out, and there will be no more job for me. Right now, I have been trained in the field of visual arts, and I don't know if I will be able to go out to any of the employment offices and seek a job in that field. I don't know if anybody who took electrical wiring and carpentry will be able to go out and do the same thing.

I find that if there is a worthwhile project, or training program that seems to be doing something for the community, to help people, I feel that it should continue. I feel that not too many opportunities are here, and once you put together some type of program that might help anybody in any kind of field, it should continue.

You should never say that you don't have enough experience. I would prefer to say that I had too much experience in something.

All I want to say, to cut it short, is that I feel that the youth training and incentive program should continue. It is a worthwhile program.

Thank you.

Mr. **Hawkins**. Thank you, Ms. Person.

The next member of the panel is Ms. Joyce Hartwell, executive director of the All-Craft Center.

Ms. Hartwell, we will be happy to hear from you at this time.

STATEMENT OF JOYCE HARTWELL, EXECUTIVE DIRECTOR, ALL-CRAFT FOUNDATION, INC.

Ms. **Hartwell**. Thank you.

We are the All-Craft Foundation. Our experience and dedication is in the pioneering work of training and job development in the skilled trades and related nontraditional work for women.

We have worked with poor youth and their mothers, interviewing and counseling over 6,000 women. We have worked with every kind of small-trade shop—electrical, cabinetmaking, plumbing, masonry, et cetera—large corporations, construction companies, National Construction Association, trade unions, State and federally sponsored registered apprenticeship programs, which are federally funded, as well as our nonprofit training and job placement center.

We have helped the women run a profit-sharing small business used to create jobs and training experience called the Mothers and Daughters Construction Co.

The following comments are based on this experience which has taken place over a period of 16 years, since 1963, starting with the operation of small carpentry and home improvement business, which employed women and minority youth.

We commend the overall concept of H.R. 4534 and H.R. 4465. We would like to make the following very specific comments:

H.R. 4534, page 2, line 8, to include special financial and technical assistance for apprenticeship development to minority women and women-owned small businesses that would employ over 70 percent poor youth and other disadvantaged workers.

Page 2, line 21, we commend the inclusion of women's organizations.

Page 3, lines 6 and 7, we suggest including sex-role stereotyping in the citing of the need to reduce differentials in employment.

Page 3, entire section 2, lines 8 through 20, we commend the fact that the age limit is to 24 years. Many young teenage women have children before they realize the need for their own education and skill training for employment. Subsequently, there is a great need for such opportunities by young women, age 18 to 24 and older, whose employment opportunities will affect another generation of poor youth, their own children. This age group is often negected for she is not yet considered a displaced homemaker.

We suggest that it be made clear that the eligibility age under this act will increase for those who are 24 in the first year, to 27 in the third year.

Page 4, line 15, to place emphasis on family counseling. Any effort must include parents to be effective.

Page 5, lines 21 through 24, we commend the inclusion of maternity benefits.

Page 6, section 5, lines 17 through 25, we suggest the need for protection for individuals applying for nontraditional work where discrimination results from sex-role stereotyping.

Page 8, lines 8 through 12, we suggest an addition at the end of line 12 to clarify that prevailing standards will apply except where they result in discrimination and in lack of compliance with other Federal regulations, such as women and minorities in apprenticeship, or in violation of State EEO in apprenticeship regulations such as in a recent outreach by the Carpenters Union in New York City, detailed information of which is available upon request.

Please refer to a recent report by the Comptroller General's Office to the President and the Congress, entitled "Federal Effort

To Increase Minority Opportunities in Skilled Construction Craft Unions Have Had Little Success." We have supplied a copy of that.

Page 8, section 4, lines 20 through 25, we suggest the inclusion of prevailing apprenticeship wages as apply in the building trades trainee program.

Page 9, lines 1 and 2, we suggest that advancement should be regulated by an easier method of registering apprenticeship programs in nonunion shops, which are usually small trade businesses and one person operations. The present ratio of mechanic trainee is too high on the State-approved level.

Page 9, section 8, lines 13 through 15, useful paid employment should include arrangements of accomplishment credit for the employee by establishing State or federally approved apprenticeship credit in small business if applicable to apprenticeship trade.

Page 10, section 2, line 24, should include skill training.

Page 11, section 4, lines 5 through 9, eligible individuals should be made aware they need to be 24 at the time of registering and will remain eligible over 24 as long as the act applies, unless is amended to include older youth. This is important for the young mother who heads a family.

Page 11, section 5, lines 10 through 16, other handicap should include limitations and artificial barriers created by racial and sex-role stereotyping resulting in temporarily lowered academic accomplishment or lack of experience in physical or mechanical application of potential resulting in temporarily lowered development.

Page 11, section 6, lines 18 through 25, we commend the sensitivity of this section.

H.R. 4465, page 2, section 416, lines 13 to 25, we suggest the age is too limiting and should include up to 24. This is particularly needed for young mothers who choose and need to work while their children are young, and because of sex-role stereotyping may not have foreseen the importance of education compared to family rearing and now have grave responsibilities and need special assistance to gain a high school diploma along with part-time work.

Page 3, line 24, public and nonprofit agencies in conjunction with private for profit, plan minority and women-owned businesses for the purpose of relieving unemployment.

Page 4, applications, lines 14 through 23, should include plans for overcoming artificial barriers to employment, including sex-role stereotyping in employment and apprenticeship.

Page 5, section 4, lines 4 through 17, the organizations mentioned should include women's organizations and should mention the consultations are for the purpose of eliminating artificial barriers in employment and apprenticeship including sex and race discrimination.

Page 7, section 11, lines 4 through 7, we commend this section on parents of dependent children. Age should be increased to 24 years for young mothers who have, as a group, special problems and responsibilities and little national recognition of this fact.

Page 7, section 12, lines 8 through 13, should include the special and extraordinary cost of doing business for minority and women-owned small businesses who employ over 70 percent poor youth and other disadvantaged persons.

Page 14, lines 1 through 17, should include working in conjunction with for profit business development for minorities and women, including the extraordinary cost of doing business for those employing 70 percent disadvantaged persons including youth.

Page 20, lines 14 through 25, Interagency Coordinating Committee for Youth Employment should include the Small Business Administration and General Services Administration which offer many Government contracts to small businesses as well as Officer of Minority Enterprises, and a committee of women in government.

Page 24, line 10, to emphasize family counseling.

In addition to the preceding, we would like you to please very seriously consider that it is very hard for the poor child to progress past the basic opportunities the mother can offer through her professional, economic, cultural, and class connections. The mother in poor communities through no choice of her own and because of many factors, is the institution that keeps life together. These wonderful women have produced miracles in overcoming the limitations of a life of grinding and relentless poverty.

CETA is only for 18 months, and to be considered successful puts the burden on a youth of being slotted into a particular job or profession without the flexibility to experiment with different interests, learning, and work experiences, which, of course, in any person produce more development of potential.

If a woman, who supports her family and who is subsequently at the point where she takes opportunities seriously, can learn a trade that has opportunity for apprenticeship and pays a decent wage as well as offering cultural respect and connections with a progressive part of our economy, she can continue to aid poor youth in their development and knowledge of how to progress in our world.

In conclusion, we would like to strongly suggest a coordination of family training and counseling.

[The prepared statement of Joyce Hartwell follows:]

ALL-CRAFT FOUNDATION, INC.

COMMENTS TO THE SUBCOMMITTEE ON EMPLOYMENT OPPORTUNITIES H.R. 4534 AND H.R. 4465 TO CONGRESS

We are the All-Craft Foundation. Our experience and dedication is in the pioneering work of training and job development in the skilled trades and related nontraditional work for women.

We have worked with poor youth and their mothers interviewing and counseling over 6,000 women. We have worked with every kind of small-trade shop—electrical, cabinetmaking, plumbing, masonry, etc.—large corporations, construction companies, National Construction Association, Trade Unions, State and Federally sponsored registered apprenticeship programs, which is fed. funded as well as our nonprofit training and job placement center. We have helped the women run a profit sharing small business used to create jobs and training experience called the Mothers and Daughters Construction Company.

The following comments are based on this experience which has taken place over a period of 16 years (since 1963) starting with the operation of a small carpentry and home improvement business which employed women and minority youth.

We commend the overall concept of H.R. 4534 and H.R. 4465. We would like to make the following very specific comments.

H.R. 4534

Page 2, Line 8—To include special financial and technical assistance for apprenticeship development to minority women and women-owned small business that would employ over 70 percent poor youth and other disadvantaged workers.

Page 2, Line 21—We commend the inclusion of women's organizations.

Page 3, Line 6 & 7—We suggest including sex-role stereotyping in the citing of the need to reduce differentials in employment.

Page 3, Entire Section 2, Line 8-20—We commend the fact that the age limit is to 24 years. Many young teenage women have children before they realize the need for their own education and skill training for employment. Subsequently, there is a great need for such opportunities by young women, age 18 to 24 and older, whose employment opportunities will affect another generation of poor youth (their own children). This age group is often neglected for she is not yet considered a displaced homemaker.

We suggest that it be made clear that the eligibility age under this act will increase for those who are 24 in the first year, to 27 in the third year.

Page 4, Line 15—To place emphasis on family counseling, any effort must include parents to be effective.

Page 5, Lines 21-24—We commend the inclusion of maternity benefits.

Page 6, Section 5, Lines 17-25—We suggest the need for protection for individuals applying for non-traditional work where discrimination results from sex-role stereotyping.

Page 8, Lines 8-12—We suggest an addition at the end of Line 12 to clarify that prevailing standards will apply except where they result in discrimination and in lack of compliance with other Federal Regulations (Women and Minorities in Apprenticeship) or in violation of State E.E.O. in Apprenticeship Regulations such as in a recent outreach by the Carpenters Union in New York City (detailed information available on request). Please refer to a recent report by the Comptroller General's office entitled, "Federal Efforts to Increase Minority Opportunities in Skilled Construction Craft Unions Have Had Little Success."

Page 8, Section 4, Lines 20-25—We suggest the inclusion of prevailing apprenticeship wages as apply in the building trades trainee program.

Page 9, Lines 1-2—We suggest that advancement should be regulated by an easier method of registering apprenticeship programs in non-union shops (which are usually small trade businesses and one person operations). The present ratio of mechanic to trainee is too high on the State approved level.

Page 9, Section 8, Lines 13-15—Useful paid employment should include special arrangement of accomplishment credit for the employee by establishing State or Federally approved apprenticeship credit in small business if applicable to apprenticeship trade.

Page 10, Section 2, Line 24—Should include skill training.

Page 11, Section 4, Lines 5-9—Eligible individual should be made aware they need be 24 at the time of registering and will remain eligible over 24 as long as act applies unless it is amended to include older youth. This is important for the young mother who heads a family.

Page 11, Section 5, Lines 10-16—Other handicap should include limitations and artificial barriers created by racial and sex-role stereotyping resulting in temporarily lowered academic accomplishment or lack of experience in physical or mechanical application of potential resulting in temporarily lowered development.

Page 11, Section 6, Lines 18-25—We commend the sensitivity in this section.

H.R. [illegible]65

Page 2, Section 416, Lines 13-25—We suggest the age is too limiting and should include up to 24 years. This is a particular need for young mothers who choose and need to work while their children are young, and because of sex-role stereotyping may not have foreseen he importance of education compared to family rearing and now have grave responsibilities and need special assistance to gain a high school diploma along with part-time work.

Page 3, Line 24—Public and non-profit agencies, in conjunction with private for profit, plan minority and women-owned businesses for the purpose of relieving unemployment.

Page 4, Applications, Lines 14-23—Should include plans for overcoming artificial barriers to employment including sex-role stereotyping in employment and apprenticeship.

Page 5, Section 4, Lines 4-17—The organizations mentioned should include *women's organizations* and should mention the consultations are for the purpose of eliminating artificial barriers in employment and apprenticeship including sex and race discrimination.

Page 7, Section 11, Lines 4-7—We commend this section on parents of dependent children. Age should be increased to 24 years for young mothers who have, as a group, special problems and responsibilities and little national recognition of this fact.

Page 7, Section 12, Lines 8-13—Should include the special and extraordinary cost of doing business for minority and women-owned small businesses who employ over 70 percent poor youth and other disadvantaged persons.

Page 14, Lines 1-17—Should include working in conjunction with for profit business development for minorities and women including the extraordinary cost of doing business for those employing 70 percent disadvantaged persons including youth.

Page 20, Lines 14-25—Interagency Coordinating Committee for Youth Employment should include the Small Business Administration and General Service Administration which offers many Government contracts to small businesses as well as Office of Minority Enterprises and a committee of women in Government.

Page 24, Line 10—To emphasize family counseling.

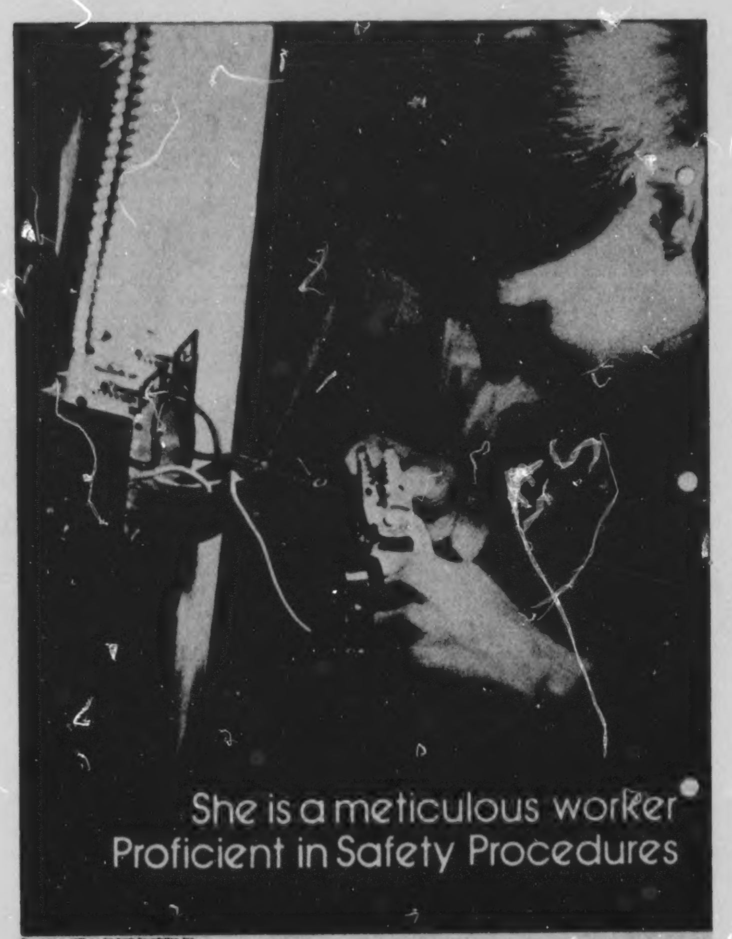
In addition to the preceding, we would like you to please very seriously consider that it is very hard for the poor child to progress past the basic opportunities the mother can offer through her professional, economic, cultural and class connections. The mother in the poor communities through no choice of her own and because of many factors, is the institution that keeps life together. These wonderful women have produced miracles in overcoming the limitations of a life of grinding and relentless poverty.

CETA is only for 18 months and to be considered successful puts the burden on a youth of being slotted into a particular job or profession without the flexibility to experiment with different interests and learning and work experience which, of course, in any person, produces more development of potential. If a woman who supports her family and who is subsequently at the point where she takes opportunity seriously, can learn a trade that has opportunity for apprenticeship and pays a decent wage as well as offering cultural respect and connections with the progressive part of our economy, she can continue to aid poor youth in their development and knowledge of how to progress in our world.

In conclusion, we would like to strongly suggest a coordination of family training and counseling.

JOYCE HARTWELL, *Executive Director.*
MARILYN ADAMS, *Deputy Director.*

Meet The "All-Craft Women"


She is a meticulous worker
Proficient in Safety Procedures

Copyright © 1977 by [illegible] Foundation Inc.

Who Is She?

She has been trained intensively in the basics of Carpentry—Cabinet Making—Electrical Work & Plumbing enabling her to work effectively in her chosen trade and interchangeably with others.

She has learned to climb heights and lift weights properly. She is a preferable worker for any job situation.

Why A Woman?

Because women have been meticulous skilled craft workers with their hands since the beginning of time—this is obvious in the traditional work of sewing, housekeeping and cooking. It is the one quality that carries a craftsworker through to professionalism.

Women are now anxious to carry their abilities to and attain knowledge in the skilled trades, and as they continue to upgrade their value in the trades they will continue to be better than average workers.

Did You Know . . .

THAT in ancient civilizations because women stayed in one place with their children, that they were the builders and men were hunters. It has been said that women devised the first building tools.

THAT a French nun got the first patent on the circular saw.

THAT women in ancient Rome were the ones who designed and built the plumbing system for that city, an innovation in design and craft ability that still rivals the one in New York today.

THAT the next skilled worker you hire might be a woman.

What Is "All-Craft"

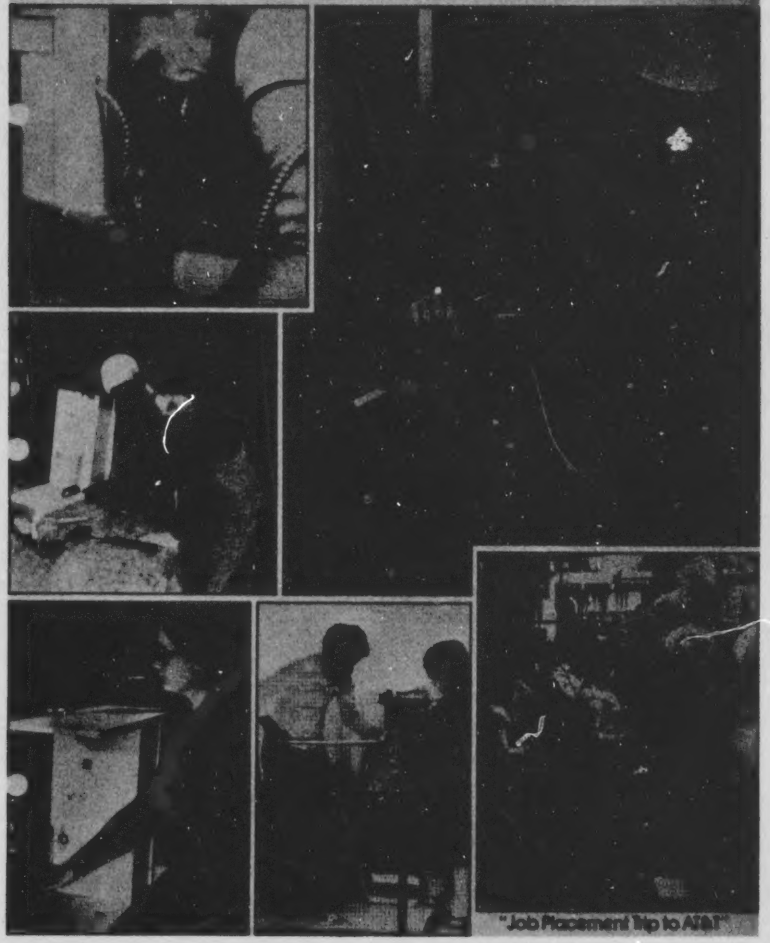
The All-Craft Foundation is a non-profit federally funded corporation which serves the needs of women who wish to enter the skilled craft trades.

Because these trades have been closed to them by tradition, the function of All-Craft is many sided, ranging from teaching crafts to helping the student find her identity in her newly chosen work. Through its center students are taught the basics in the crafts. The "All-Craft classroom" is equipped with every tool that a professional carpenter, plumber or electrician would use.

The All-Craft staff members are all experts in their fields.

The All-Craft objective is to train its students so well, that in time industry will use the term "All-Craft Woman" to describe a highly qualified worker in these skills.

At The All-Craft Center



"Job Placement Trip to AT&T"

Basic Training

Students at All-Craft begin with a basic training in all four categories of carpentry, cabinet making, plumbing and electrical skills. This "cross-over" approach to training helps to ground the student in basic construction principles which are essential to the specialization which she then chooses as her profession. This also enables her, in a tight job market, to function in many job situations, for example, as a building maintenance mechanic trainee where some knowledge of each skill is used.

Full time training is on a five-day-a-week basis for one month. Back-up training continues for as long as the student needs it to perfect her skills.

All-Craft Provides Back-Up

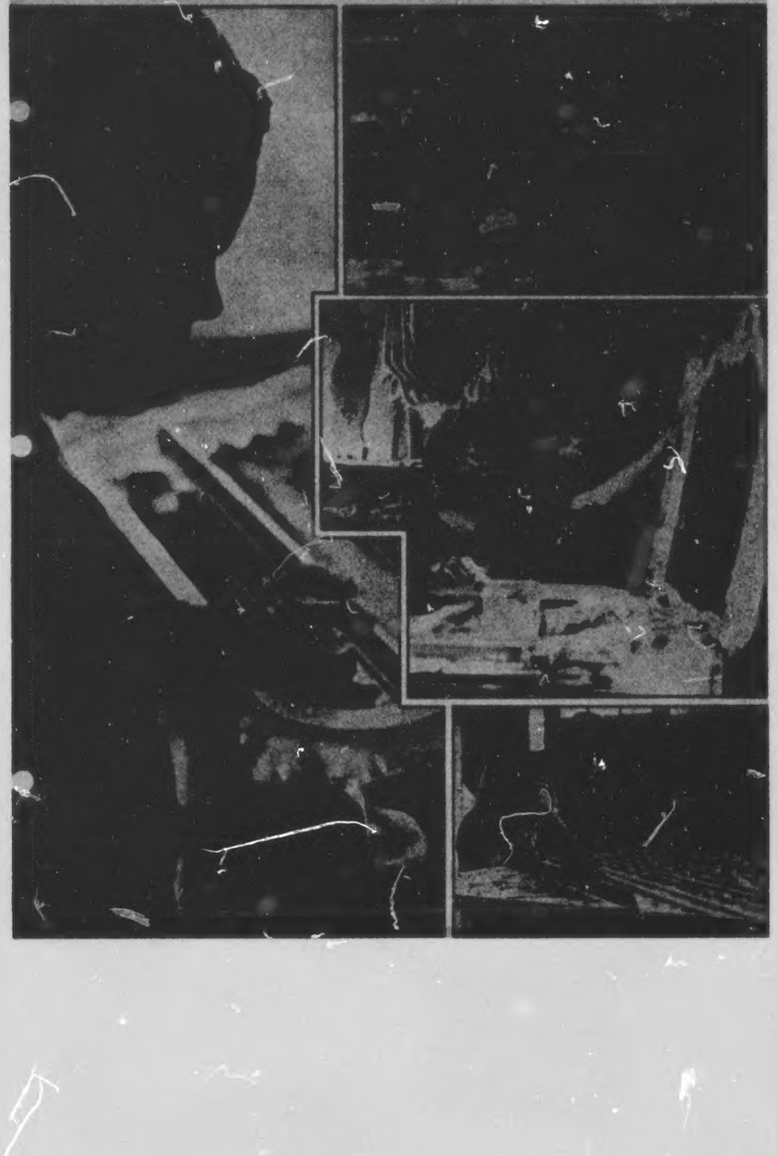
WHAT IS BACK-UP?

Think of All-Craft as it is, a community which supports the working woman when she enters the trade for which it has trained her. That support is back-up. Back-up is more than training. It is the cultural and emotional support that a woman needs when she chooses the skilled labor field as her profession.

Supportive training, for as long as she needs it, is part of back-up. That means she can attend night classes at All-Craft after she has been hired on a job. These evening sessions give her more confidence and a deeper connection to her trade. She can attend for as long as she wants this additional instruction. Further, to meet the needs of some businesses which use specialized machinery, additional training is given to an All-Craft student on the use of that equipment, even though that business itself trains its new people. This extra coaching helps to make the woman a top performer on the job.

Child-care, an important factor in the employment of women, is of special interest to the All-Craft Center which takes responsibility in setting up day care arrangements for the working mother.

On The Job



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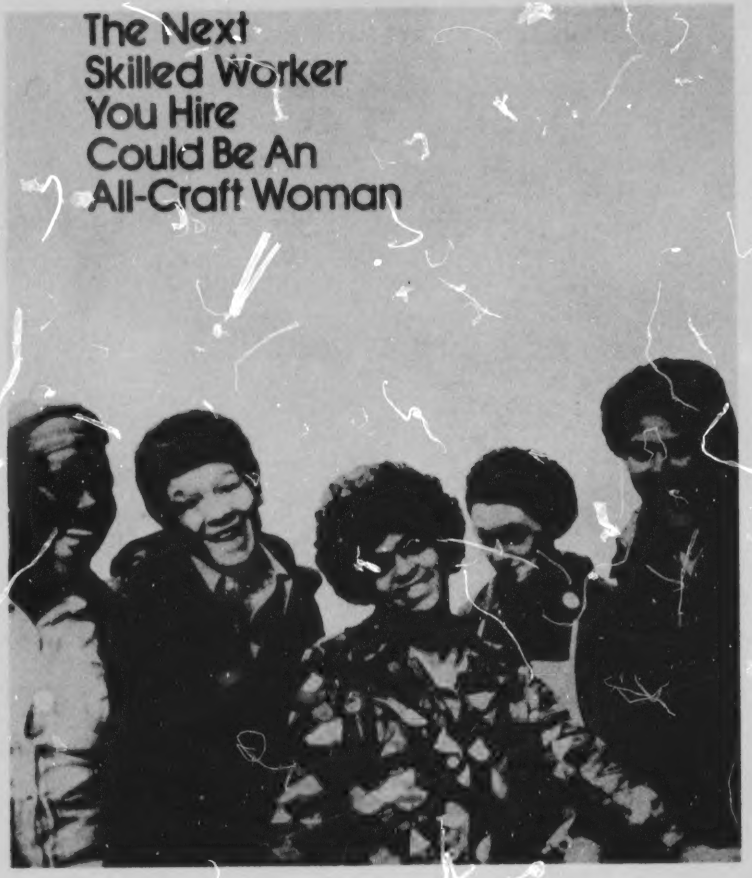
It's Your Move

If you want to know what All-Craft can do for you and your organization, call or write us for an appointment. We will arrange to see you at your convenience. Or, if you wish, simply call and talk to one of our staff about All-Craft, or about your present personnel problems in hiring women in non-traditional jobs.

(SEE BACK PAGE FOR EXPERIENCE & CREDIBILITY)

JOYCE HARTWELL	MARILYN ADAMS		
PROJECT DIRECTOR	DEPUTY PROJECT DIRECTOR	JOB DEVELOPER	JOB DEVELOPER

ALL-CRAFT FOUNDATION 19-23 St. Mark's Place New York, N.Y. 10003 212-260-[illegible]650 1-2-3



The Next Skilled Worker You Hire Could Be An All-Craft Woman

List of trainee job possibilities utilizing the pre-professional and back-up training received by All-Craft Women

Airplane Woodworker
Appliance Serviceperson
Boatbuilder
Boilerworker
Bricklayer-Mason
Bricklayer-Mason-Plaster
Burglar Alarm Mechanic
Bus Electrician (or truck)
Business Machine Mechanic
Cabinetmaker
Carpenter
Casketmaker
Cement Finisher, Cement Mason
Color Mixer
Construction, plumbing electrical
Draftsperson
Electric Appliance Servicer
Electric Elevator Service and
Repairperson
Electrical—Lineperson
Electrician
Electrician—Marine
Electrician—Sign
Finisher—Drywall
Fire Alarm Mechanic
Floor Refinisher
Furniture Finisher
Furniture maker
Hand Wood Carver
Iron Worker (Ornamental)
Iron Worker (Structural)
Joiner
Lather
Linoleum & Resilient Tile Layer
Linoleum, Resilient Tile & Carpet
Layer or Soft Tile & Carpet Layer
Locksmith
Machinist

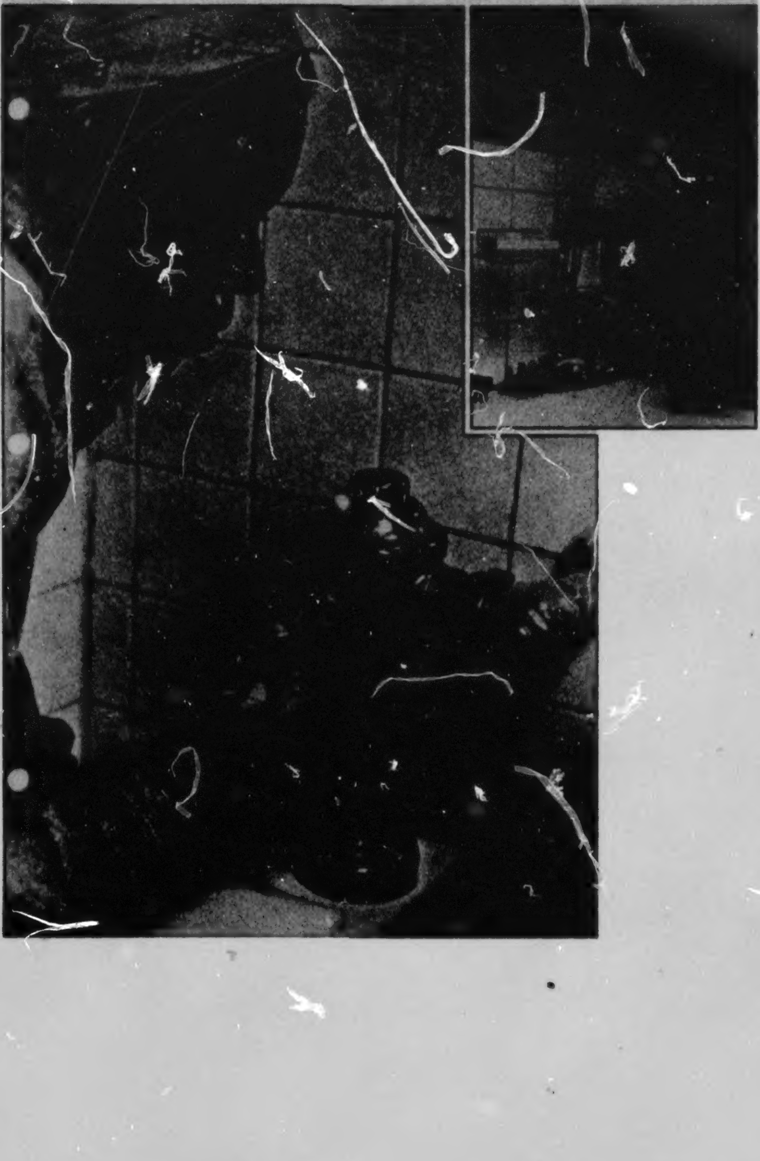
Maintenance—Electrician
Maintenance—Industrial
Maintenance—Plumber
Meter Installer and Servicer
Millwright
Model Maker
Moldmaker
Mosaic Worker
Painter & Decorator
Paperhanger
Patternmaker, Metal or Wood
Pipe Fitter
Pipe Fitter, (Maintenance)
Plasterer
Plumber
Plumber—Roughing
Plumber & Steamfitter
Refrigeration & Air Conditioning
Mechanic
Roofer
Router Engraver
Sales—hardware, tools, lumber,
furniture, home improvement
materials
Sheetmetal Worker
Ship Carpenter
Shipwright
Sign Writer & Pictorial Painter
Sprinkler Fitter
Steamfitter
Stone Cutter (building trades)
Stone Setter (Mason)
Tile Setter
Tool & Die Maker
Tool & Jig Builder
Toolmaker
Upholsterer

NO FEE IS REQUIRED IN THE PLACEMENT OF PERSONNEL.

ALL-CRAFT CENTER T.M.

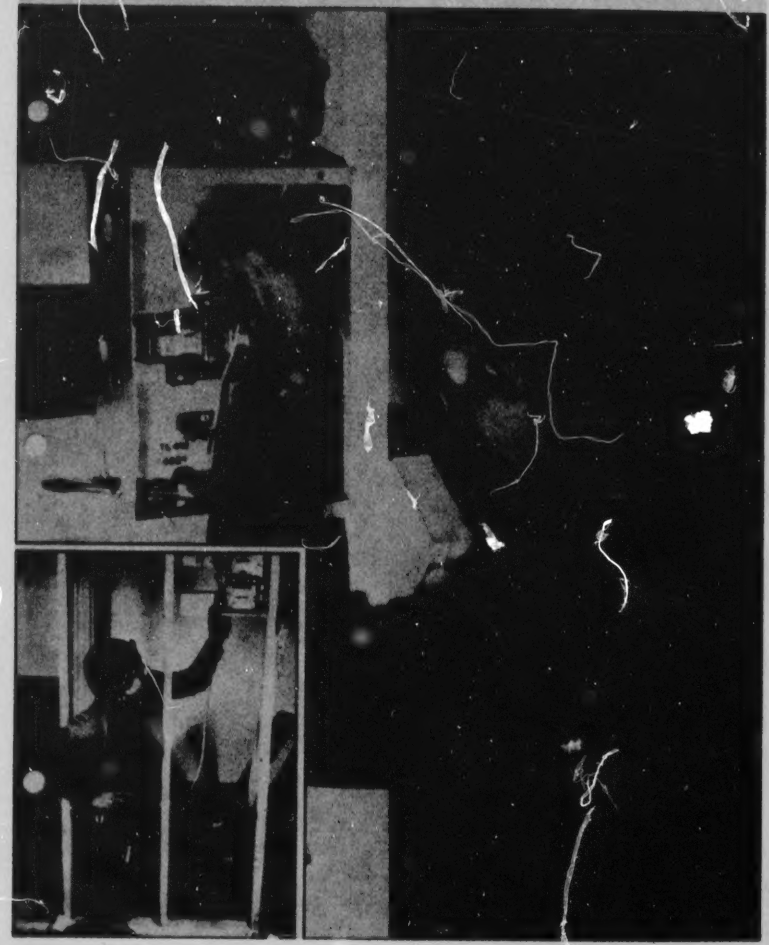
ALL-CRAFT FOUNDATION 19-23 St Mark's Place New York, N.Y. 10003 212-260-3650 1-2-3

Plumbing

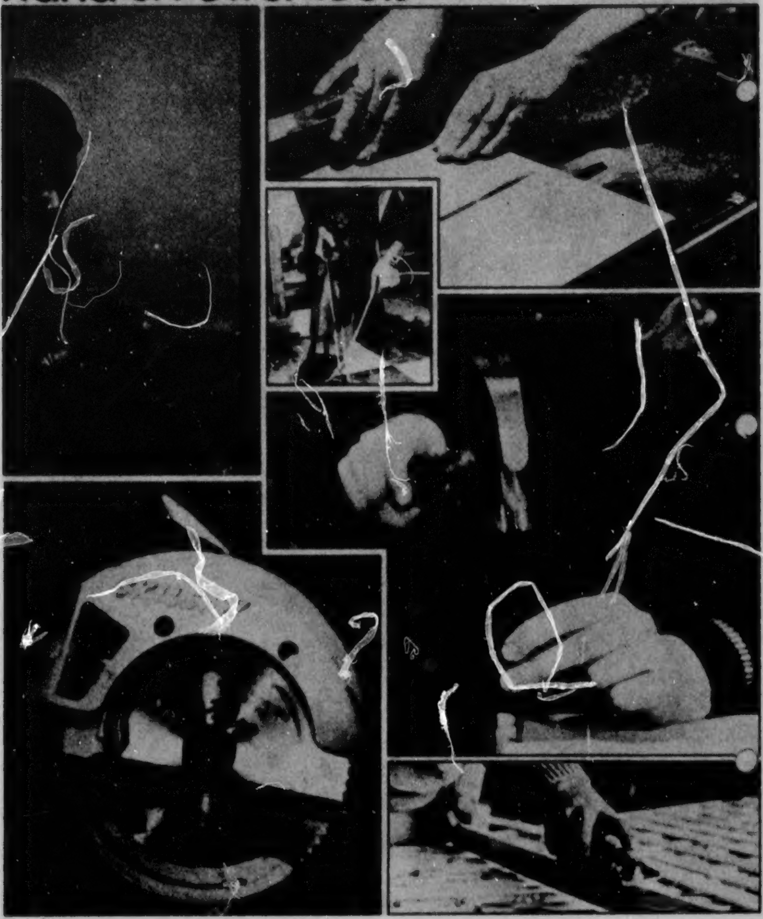


Cabinet-Making/Carpentry

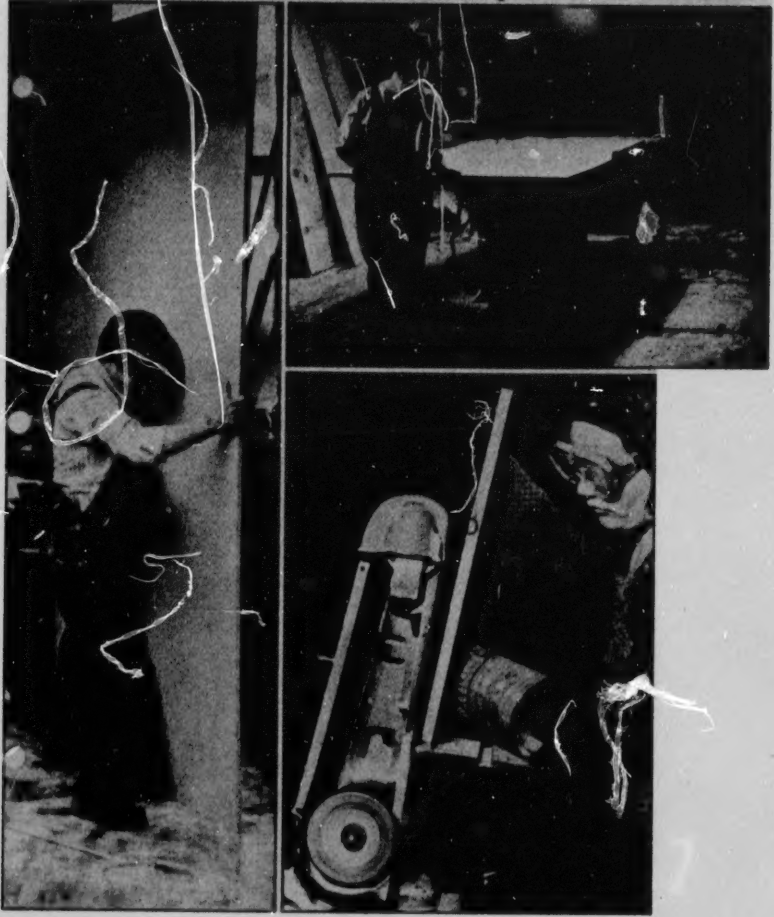
Electrical Work



She Has Knowledge of Hand & Power Tools



She Can Handle Materials & Production Machinery



Where It All Began:

OUR HISTORY, EXPERIENCE AND CREDIBILITY

The All-Craft Center evolved from a contracting and home improvement business known as Lady Carpenter Institute, Inc. Started in 1963, the Lady Carpenter employed women to work as carpenters, traditionally a man's profession. Lady Carpenter, now well known in the press and on television, as shown in Time magazine "Women of the Year" issue prospered despite the initial resistance to women in this trade.

Intense interest, by women, in learning woodworking for homemaking and possible future work opportunities prompted Lady Carpenter, Inc. to open a school in 1972. The teaching included a working knowledge of power tools and building procedures. There are now over 600 graduates from all walks of life including housewives, grandmothers, teenagers, professional women and a nun, many of whom are now working professionals in the field.

Lady Carpenter Institute still functions as a home improvement center and has become a college credit course. Again, an upgrading of interest on the part of women, and on the part of the Government, in women in skilled crafts, brought into existence the All-Craft Foundation, a non-profit corporation specifically developed for furthering the employment of women in the skilled blue collar trades, and which is the corporate sponsor of the job training and placement center.

ALL-CRAFT CENTER T.M.

ALL-CRAFT FOUNDATION 19-23 St. Mark's Place New York, N.Y. 10003 212-260-3650 1-2-3

bedworks inc.
the platform bed company
121 west 19th street, new york 10011 (212) 777-5640

August 8, 1978

ALL-CRAFT Foundation Inc.
19-23 St. Marks Place
New York, NY 10003

To Whom It May Concern:

It has been the good fortune of Bedworks to have collaborated with the ALL-CRAFT Foundation in the employment of two of their people as trainee woodworkers. Although both Susan Breheny and Terri Field came to us with many of the skills requisite to working in our trade, it is necessary for us to move all new employees through gradual stages of orientation and initiation to our particular methods and style of production. Today Susan and Terri are fully trained and acclimated members of the Bedworks production crew.

Nevertheless, throughout the initial phases of introduction to our work here, these two ALL-CRAFTERS have shown themselves very well in their good work habits, determination to stay with our initiation process, and acquisition of skills and practices not necessarily used outside this shop.

The question is sensibly raised whether these workers have proven themselves equal with our male employees with respect to literally carrying their own weight when it comes to physical tasks as plain and simple as bringing the wood in or moving heavy merchandise. The answer from our experience is that initially we found both new employees fair but not excellent with these tasks. However, during our recent move from Broadway to 19th Street, Terri and Susan proved themselves quite well unloading ton after ton of dense flakeboard laminate wood supplies.

As I said before, the ALL-CRAFTERS came to us already possessing many of the skills and much of the knowledge necessary to function in our shop. What they did not initially possess, they learned quickly and now understand and do very well. No doubt due to their conscious choice to find employment in this field and learn this craft, both Terri and Susan have been conscientious and determined employees, proud of their contribution to the fine work we do here at Bedworks.

Thank you ALL-CRAFT.

Sincerely,

John E. Dennis

John E. Dennis
Production Manager

JED/pk

George T. Dorn-Weichun
FINE WOODWORK

70 WOOSTER STREET
NEW YORK, N. Y. 10012
431-7628

July 28, 1978

All Craft Center
19-23 St. Mark's Place
New York, N.Y. 10003

Attn: Ms. Holly Browmstean:

Dear Ms. Browmsteen:

Having recently become self employed I had not anticipated hiring an employee within the next year or two.

However upon hiring Diana Giordano through the All-Craft Foundation, I was capable of hiring a responsible employee by virtue of the CETA endowment. Without this endowment it would have been necessary to secure an expensive loan to provide the necessary capital for initial insurance and maintain a weekly payroll.

Diana Giordano has demonstrated outstanding capability in the shop and particularly in the field where she has dealt with clients on a professional basis.

Sincerely,

George T. Dorn-Weichun

MICHAEL CAINES
Cabinet & Architectural Woodworking
3425 Kingsbridge Avenue
Bronx, N. Y. 10463

March 21,1978

To Whom it May Concern;

My name is Michael Caines and I am a Cabinet-maker by profession. While I was working at the Construction Company I met Susan Greenfield(an All-Craft graduate) who was beginning her apprenticeship. I supervised her work and was impressed by her interest and skill. After several months the Construction Company folded and I started my own business. I have subsequently hired Susan as an assistant woodworker.

All-Craft Foundation has helped Susan direct herself as a Cabinetmaker in a way that would have been difficult if she hadn't had that support,

Sincerely,

Michael Caines

WARREN ELECTRIC CO.
Established 1908
LICENSED ELECTRICAL CONTRACTOR
INDUSTRIAL • COMMERCIAL • RESIDENTIAL
257 WEST 19 STREET

929-2936
NEW YORK CITY, N.Y. 10011

Sept. 11,1978

Ms Joyce Hartwell
All-Craft Center
19-23 St. Marks Place
New York NY 10003

Dear Ms Hartwell:

We wish to commend you on the training you have given Patti Eierman. She has fitted in well with our workmen who seem to be glad to have her with them on a job. On smaller jobs where she has gone alone, Patti has either solved the problem or brought back a clear explanation of what is wrong so we can tackle it properly.

Contrary to many of our fears, I don't believe Patti has encountered any discrimination or problems, other than occasional mild initial kidding with our customers and suppliers.

Her knowledge of basic electricity combined with a willingness to work and adequate physical strength for most jobs have given our customers no cause for complaint to date.

While it is obvious that Patti requires more training to feel confident in all basic facets of our work, we are pleased to see that she watches our experienced mechanics and learns from them. We would like to encourage her to work more and more on her own.

Her attendence record and on-time performance has been good, and overall, we have no complaints.

Please feel free to call me or my son, Roger, should you have any further questions.

Sincerely yours,

Harold O. Warren
Harold O. Warren

HOW:lw

GILSON ELECTRICAL COMPANY, INC.
Licensed Electrical Contractor
3301 AVENUE N • BROOKLYN, N.Y. 11234 • (212) 253-2929

November 18,1978

All-Craft Foundation
19-23 St. Marks Place
New York, New York 10003
Attention: Hollis Brownstein

Dear Ms. Brownstein:

I am writing to thank you for referring Joan Daley to our organization.

She has a good working knowledge of the "tools of the trade" and is well versed in theory.

She shows strong motivation towards learning all aspects of our business and has no difficulty in performing all the tasks required of a first year helper.

It is our policy to rotate helpers among the machanics and all have been pleased with Ms. Daley's performance on the job.

All-Craft is filling a void sorely needed in the construction industry for many years and I am pleased to see so successfully.

We are looking forward to futural referrals from your agency.

Very truly yours,

GILSON ELECTRICAL CO.,INC.
Sheila Schlesinger
Service Manager

LEVITON

March 17, 1978

To Whom It May Concern:

The LEVITON MANUFACTURING COMPANY INC. has maintained a relationship with All Craft Foundation Inc. for approximately one (1) year.

During this period of time they have referred respective employees out of which two (2) have been hired. One woman is employed as a Carpenter and the other is a Tool & Die Maker Trainee. They are both considered by their Supervisors' "Above Average Employees". They are quite knowledgeable in their skills and are highly motivated.

It would appear that All Craft has established an excellent Training Program and is one of the few agencies that we deal with that does extensive follow-ups on the applicants they place.

It is gratifying to find qualified females in what has been "historically male" oriented jobs.

Very truly yours,

LEVITON MANUFACTURING CO. INC.

Ronald J. McGowan

Ronald J. McGowan
PERSONNEL MANAGER

RJM:fk

236 GREENPOINT AVE., BROOKLYN, N.Y. 11222 • PHONE 212-383-4500 • CABLE LEVITONLEC • TWX 710-584-2888

Seatrain Shipbuilding Corp.

Brooklyn Navy Yard
Building 292
Brooklyn, N.Y. 11205

(212) 596-1515
Domestic Telex: 12-7302 SEATRNSHP NYK
Foreign Telex: 12-7302 SEATRNSHP NYK

March 21, 1978

To Whom It May Concern:

This is to certify that Ms. Emma Martinez was employed by Seatrain Shipbuilding Corporation from November 22, 1977 to March 17, 1978 as a Laborer.

While employed Mr. Emma Martinez applied herself to her work in a responsible manner. She worked well with others as well as being punctual in her attendance.

I hope this information will be of some assistance to you.

Respectfully yours,

H. Eiroa
Supervisor Labor Department

/eg

NOTE: SEATRAIN SHIPBUILDING CORP., AFTER ACQUIRING A NEW PRESIDENT, LAID-OFF 800 EMPLOYEES. MS. MARTINEZ WAS AMONG THOSE LAID-OFF. AS OF SEPT. 25, 1978 SHE HAS BEEN REHIRED AT $220/WEEK IN A UNION JOB AS A LABORER -- SOON TO BE DOING SHIPFITTING.

MEDICAL CARE TO
THE POOR SINCE 1883

Executive Offices Phone:
ORegon 4-0220

The Stuyvesant Polyclinic
137 SECOND AVENUE • NEW YORK, N. Y. 10003 • ORegon 4-0220

September 12, 1978

To Whom It May Concern:

I would like to write a strong letter of reference to commend the trainees at All-Craft Center. We were very pleased with the work performed by the All-Craft women in training.

The various repairs consisted of pipes, windows, a lock and doorbell as well as the installation of water coolers. The women were very curtious and enthusiastic, and the quality of work was extremely high.

The water cooler installation went very smoothly and they had the opportunity to use their ability in lifting heavy objects.

They carefully considered the cost of materials and made an effort to keep them low. Their attendance and turn-around time were both excellent.

It is likely that we will need further work done during the next few months and surely will call upon the All-Craft Center to provide this excellent community service, particularly to a medical establishment such as our clinic.

Sincerely,

Valerie J. O'Connor, ACTING ADMINISTRATOR

PRESIDENT OF THE BOROUGH OF MANHATTAN
ANDREW J. STEIN
CITY OF NEW YORK
COMMUNITY BOARD NO. 3
127 SECOND AVENUE · 3rd FLOOR · NEW YORK, N.Y. 10003 · TEL. 533-5300

FRANK MOSCO
Chairman
RICHARD ROPIAK
1st Vice Chairperson
VIRGINIA KEE
2nd Vice Chairperson
ROBERT NAZARIO
3rd Vice Chairperson
WILLIAM SICKLICK
Secretary
SARAH FARLEY
Ass't Secretary
NORVELL BUTTERFIELD
Treasurer

STEPHENS A. JUHAN
District Manager

September 13, 1978

Ms. Joyce Hartwell, Director
Allcrafts Foundation
19-23 St. Marks Place
New York, New York 10003

Dear Ms. Hartwell:

Community Board #3 wishes to express sincere thanks to you and your staff for the excellent work that was performed in our office. They not only installed our water cooler, but fixed our windows.

Special thanks go to Marisol Simon, Cozy Banks, Sara Brown and Ann Sandoval for their courtesy, neat work and efficiency.

Our staff highly commends them for their skill in plumbing, electrical and carpentry work.

Sincerely,

Frank Mosco/me
FRANK MOSCO, CHAIRMAN
COMMUNITY BOARD #3

Marie Enzerillo
Marie Enzerillo
Administrative Assistant
Community Board #3

FM:me

Women's resources
205 main street
fort lee, n.j. 07024
(201) 947-5700

c/o 133 West 72d Street #201
New York, NY 10023
(212) 724-6670

September 13, 1978

All-Craft Center
19-23 St. Mark's Place
New York, NY 10003

Dear Women:

We here at Women's Resources would like to thank you for the commendable job you did in helping us get our office (and its work) off the ground. Our current project is a fundraising canvass for the National Women's Political Caucus' ERA Fund, and the walls, doorway and work tables (attractive as well as efficient) you built for us make what I'm sure you realize a difficult job all that much easier. We cannot thank you enough, but be assured that we will recommend your artisanship to anyone we know who is in need of your services. Best wishes in your future work.

Sincerely,

Carlla Horton

CarlLa Horton

Mr. **Hawkins**. Thank you, Ms. Hartwell.

Mr. Weiss?

Mr. **Weiss**. Thank you very much, Mr. Chairman.

I found the testimony to be very informative and very precise. I appreciate that very much.

Mr. **Hawkins**. Mr. Jeffords?

Mr. **Jeffords**. I concur with the remarks made by Congressman Weiss, not only for your testimony, but all the testimony that we have received today. I appreciate it, and I know that it has taken a lot of work, and that a lot of time was spent on it. It shows in your testimony. Thank you very much.

Mr. **Hawkins**. The Chair would like to commend the witnesses also. You have been very clear cut in your explanations.

Mr. **Weiss**. Mr. Powers, will you have your statement reproduced, so that we can have a copy of it?

Mr. **Powers**. Yes.

Mr. **Weiss**. If you would send it to the committee in Washington, D.C., to support the statement given here. I think that it would be appreciated.

Thank you very much.

Mr. **Hawkins**. There are several additional witnesses which I would like to have Mr. Weiss introduce, who wish to present further testimony.

Mr. **Weiss**. Thank you very much, Mr. Chairman.

Because of the well prepared testimony that our witnesses have had, we are very fortunate in having concluded just a little bit ahead of our deadline for returning to Washington.

At this time, I would like to introduce and welcome State Senator Franz Liechter, who is a distinguished colleague of many years' standing, and who represents the district that we are in, and in his individual capacity as a State senator, he has the responsibility for employment legislation.

We very much appreciate, not only the fact that you came, but the fact that you stayed because you had no idea whether we would finish in time or not. Thank you very much.

STATEMENT OF HON. FRANZ LIECHTER, NEW YORK STATE SENATOR

Senator **Liechter**. Thank you very much, Mr. Chairman, Congressman Jeffords, and Congressman Weiss.

May I say, Mr. Chairman, that for many years your name has been the symbol of hope for all of those who are concerned about the problem of unemployment, and I particularly appreciate the subcommittee holding hearings, here, and I wanted to come and welcome you, since I represent northern Manhattan in the New York State Senate. But I particularly wanted to come and share with you some of my concerns and interests with the problem of unemployment among the youth.

We sit, in fact, in a community where if you go out and walk the streets, you will see hundreds of young people idling on street corners, on stoops, and so on, unemployed, hopelessly unemployed, possibly permanently unemployed, unless the Government finally manages to deal with what I think is a social disgrace and a social disaster, and that is the rate of unemployment among young people in a city district such as this of anywhere between 40 to 70 percent. I don't think we even know how high the figures are, but we know they are extremely high.

We also know that the problem is such a severely, deeply rooted one that it will take very direct, and very focused governmental action in order to provide some employment opportunity and hope, and really some hope in the future for all of these young people.

I think that there has been a failure of three levels of government. I particularly very deeply feel the failure of the level of government where I serve, the State. For some years, I have been trying to urge, without much success, on my colleagues in Albany, and on the Governor, that the State has some responsibilities in this area.

I proposed a very modest program with State funding to the level of $25 million, a program to place unemployed youth in private sector jobs to provide training for them, and to do this by the State subsidizing up to 75 percent of the wages of these young people.

It seems to me, at a time when the State has quite considerably reduced taxes, and when there has been a governmental surplus, there was certainly some obligation on the part of the State to deal with this problem.

I know that we, in the State capital, like to look good by reducing taxes, and then come to Washington and say that we need help. I think that there is no question that we do need help, but I think there is some obligation on the part of the State level of government to deal with such complex and such very evidence social problems as unemployment among young people.

I very much approve and support the proposals contained in some of the legislation discussed. The targeting of CETA funds to deal directly with the problem of unemployment among youth.

I know that the hour is late, and I am not going to comment in detail on your bills, except to endorse the general tone, or the general thrust of H.R. 4465, and the two bills proposed by Congressman Weiss, H.R. 4534 and H.R. 4536.

It seems to me that somehow, if we are going to deal effectively with unemployment among young people, I think we have to deal really with the twin problems of creating the job opportunities, and also providing the educational support, which is going to permit them to hold these jobs.

I don't think that there is any lack of willingness on the part of these young people to work. When you hear job announcements in this city for young people, they will line up, literally 2 or 3 days in advance, and sleep on the sidewalk. Unfortunately, many of them, really, are so lacking in employable skills that regardless of their desire, they are just not employable.

It seems to me that any program must focus on the training aspects. I would also hope very much that a greater incentive, as well as possibly a greater sanction be imposed on State government to use some of the CETA moneys that are available, some of the discretionary moneys, for instance, to deal with the problem of unemployment among youth.

As administered, I think CETA, although there are some specific programs for young people, really has not means very much for this large, vast group of the employed. I think there might be some sort of program that is directed to areas that are particularly heavily impacted by unemployment among young people. There may well be some additional funds for those States that are willing to share some of the burden, and provide a positive program in dealing with the problem.

I hope very much that Congress will address itself to this problem, and I know that under your leadership, Mr. Chairman, everything possible will be done.

I thank you.

Mr. HAWKINS. Thank you, Senator Liechter, for those remarks. I think that they are very pertinent. I cannot find any disagreement with them. We hope that through this cooperation, of which you speak, we can move ahead, despite the gloomy forecast facing us. We think that what you said today is very timely, and very thought provoking.

Mr. Weiss, do you have any comments?

Mr. WEISS. I do not, Mr. Chairman.

I think that it is essential that we have this working and sharing partnership between the Federal and State governments, so that it becomes very clear that it is being left up to the Federal Government to provide all the funding. We have to make that part of the relationship.

Mr. HAWKINS. Mr. Jeffords?

Mr. JEFFORDS. What is the State of New York doing in targeting the training toward the jobs that are available, and how does the State of New York determine what jobs will be available?

Senator LIECHTER. We have supposedly an ongoing effort by various executive agencies to try to create jobs, to try to identify jobs. I think, by and large, the program that has been followed in the State has been one of reducing business taxes, reducing individual taxes, in the hopes that this would generate economic activity. I don't believe that doing this without attaching some strings to it will accomplish the job. I prefer Congressman Weiss's approach, "You create jobs, and we will give you a tax credit." I think in this way you can assure, to a much greater extent, that you are really going to be helping those people that you want to help.

So I would like to be able to boast about the good programs that we have in the State of New York, but I can't.

Mr. JEFFORDS. Thank you.

Mr. HAWKINS. Thank you.

Mr. WEISS. Our last witness for today, very appropriately is the gentleman who represents the tenants who reside in this complex, where we are holding our hearings today. Mr. George Parris is the chairman of the Tenant Association of the Riverside complex.

I would like to thank him, while he is coming forward, for the welcome which he has imparted to us, and for allowing us the convenience and comfort of holding our hearings here today.

Mr. HAWKINS. The Chair would like to add to what Mr. Weiss has said. We are highly appreciative of the cooperation that has been extended to the committee, and we are thankful to you personally for that.

Also, I join with Mr. Weiss in giving you the opportunity to present testimony and in thanking you for the privilege that we have had of using this facility.

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STATEMENT OF GEORGE PARRIS, CHAIRMAN, TENANT ASSOCIATION OF RIVERSIDE COMPLEX

Mr. PARRIS. Thank you, gentlemen.

Before you go, I would like to introduce Dr. Burnett, who is the vice president of our association.

The problems that we have in this area are: No. 1, not enough contact with the representation of this community. Ninety percent of this community do not know who their representatives are. The only time they hear about them is when they come out for votes. Basically, this is all there is to it.

When it comes down to jobs, education, whatever you have, the senior citizens, they are neglected terribly. All you have to do is walk through this neighborhood, and you will see what I am talking about.

We have tried to be in contact with different people, to try to get jobs, and to implement educational programs, but nothing do they give us. We get promises sometimes, and that is the end of it.

In this complex alone, which is the largest complex in the city, as you probably know, it was an experimental building type of complex, you have over 3,000 children alone in here. For example, we tried to get jobs for them. We sent them to different agencies that we heard about. Two out of one thousand five hundred children got a piece of a job.

The places that we sent the kids to, to which we went, too, we were told that they had their applications, yet we saw applications being given out to their friends and to their relatives. This cannot be tolerated.

I feel the lack of communication between representatives and the people concerned in the neighborhood is terrible. I will give you another example.

The school down here, I have been fighting them for over 3 years, to open up that gym for the children of this complex, just the gym. The gym would keep the crime rate down. It would solve all kinds of problems for these young kids today. They refuse to let us have the gym, and told us that they would have to have *x* amount of dollars if and when they could give it to us.

I have gone to the board of education, and they gave us a runaround. I have never been able to get an understanding of why that gym should not be open to the tenants of this complex.

The educational level needs to be changed. I also think that a lot of the educational programs that are being utilized in the schools are not meant for the poor people, because half of the education that they are getting, they will not go out in life and use it.

What you need to do is to change the system of education to the point where you have children, who are interested in certain types of work or are cut out for certain things, and train them specifically in those areas.

What good is it to teach a child all types of math or science, when his interest is not science? I am not saying that it is not beneficial to a certain degree, but actually it is a waste of time and money.

Your teachers today, basically, are unqualified to teach. They have no interest in the educational system. They have no interest in really educating the child. I have gone to the parent and teacher conference, and the teacher does not have time for us.

I have seen cases where the principal of the school has wanted to get rid of teachers, and was not able to get rid of them because of the union, or whatever.

These are some of the problems that are creating problems for people. I simply believe that if you, Congressmen and Senators, would get together with the people, and let them be seen and be heard, let them know where the interst lies, surely they would be interested, and I think that a lot of these problems would be alleviated.

This is my complaint. We have 3,000 adults living in this complex alone, never mind the area, we can't get grants or anything else in here for them. Believe me, you have a lot of people who really want to work. If you have an ad for jobs, you will have 50,000 kids going for 10 jobs, or 100 jobs.

You have agencies, your have businesses, they refuse to hire minority groups. There should be something done about that.

This is basically all I have to say.

I would like to introduce Dr. Burnett, who would like to make some remarks.

STATEMENT OF DR. GEORGE BURNETT, VICE PRESIDENT, TENANT ASSOCIATION OF RIVERSIDE COMPLEX

Dr. **Burnett**. As a lecturer in philosophy and psychology, I have great concerns for the growing children of all ages. I am very concerned with the children of our age, they seem to be eager to learn, yet on the other hand there seems to be a frustration in their lives that is preventing them from adjusting themselves to the education that they are presented.

In the first place, you observe a child of 12 years old, and you ask him what is his intention, what is he going to pursue during his school years. His reply is usually, "I do not know." There is something that seems to be amiss when a child has not the proper perspective as regards to what he wants to do, and what he wants to be, and his accomplishments in the future years.

We who have observed very carefully the evolutionary growth of these children's lives; we feel that they are lacking a certain discipline, and certain directions, so that they may be able to adjust themselves, not only to the community, but to those who are eager to direct them to perform the duties which they should perform.

Recently, we had the opportunity to take in, within the complex, approximately 50 children from the Jones Schools. We had been aiding them in disciplining themselves, and to direct them relative to the duties which they had had to perform.

Incidentially, in the complex, I have been endeavoring to establish a library and I took the opportunity of my leisure time to prepare for this library. We have over 600 books, and it needs time and attention so that these books can be cataloged for the purpose of directing the children in the right direction. It necessitates a great deal of money in order to establish a certain cultural program for the children who are growing up as well as for the adults.

What we observe is that there is a lack of both culture and morality, and we are endeavoring to see whether we can establish a program, so that they can be taught the principles of culture, and by virtue of establishing those cultural principles, they may weave into the pattern of the moral life, which should be led.

It is essential that we build into the mind of the youth those principles that will make them better citizens in the future. If that is done, we may be capable of walking the streets very much more fearlessly. It is my feeling that we are ready to render the necessary aid to them, if we can get that funding so that our project can be perfectly established, not only for the children of the complex, but the children of the community.

There are many of them who are eager to move forward in the right direction, but there is not the proper guidance. This is essential for our children of today, because they are to be the leaders of tomorrow. Unless we take care of these, we shall find ourselves in a state of anarchy, because we need them to guide the destiny of the Nation in the future, so that we can have a more wholesome place to live, and feel at least comfortable where we are associated in the community where we live.

Therefore, I feel that your presence today, gentlemen, is very essential, so that you may know firsthand the things that we are subjected to in this community, and particularly those who are overshadowing the complex. There are many things that are going in the opposite direction, but by virtue of your aid I am quite sure that myself and Mr. Parris will be able to direct the destiny in such a way that those who are occupying the complex will feel at ease and at peace because the children of the surrounding area will have been directed in the way in which they ought to act, and in the duties that the should perform.

Last but not least, I am endeavoring to establish a auditorium in the library, so that we give a series of lectures on sociology and ethics, morals and principles, and philosophy, so that they may have an understanding as to the manner in which they should conduct themselves, and the way in which they should live with their brothers.

I am quite sure that by virtue of your aid and your assistance, we will be able to fulfill that dream, not only for the good of the community, but for the good of the Nation.

Thank you.

Mr. **Hawkins**. Thank you, Mr. Burnett.

Mr. **Parris**. I have one more witness.

Mr. **Hawkins**. Mr. Parris, I am afraid that if there are any additional statements, they may be filed with the committee. We will be very glad to keep the record open.

Mr. **Parris**. My next witness is Ms. Celeste Reed, our second vice president. She came late.

Mr. **Hawkins**. We will try to accommodate you.

STATEMENT OF CELESTE REED, SECOND VICE PRESIDENT, TENANT ASSOCIATION OF RIVERSIDE COMPLEX

Ms. **Reed**. If there is money to aid this community, or a community of this size where is it going, and why have we not had a chance to implement it in our programs in this community?

Ms. **Weiss**. I have suggested, in conversations with Mr. Parris, that I would be very pleased at our mutual convenience, on the weekend probably in the early part of October, to meet here at the complex with Mr. Parris, Dr. Burnett, and any of the others in the tenant association of the complex, who want to discuss whatever questions were raised today, and any other question.

That is probably the best way because right now we have to return to Washington because the House is in session. I am grateful for forebearance. We will meet early in October to discuss that question, and all the other questions that were raised during the hearing.

May I, again, Mr. Chairman, extend my appreciation to you and to Mr. Jeffords, and to the subcommittee staff, for allowing these hearings to be held today in this district of New York.

Mr. HAWKINS. We are very appreciative.

We wish to thank everyone for their cooperation, and particularly you, Mr. Parris.

All the statements that were submitted will be entered in the record.

Mr. HAWKINS. The subcommittee hearing is adjourned.

[Whereupon, at 2 p.m., the subcommittee adjourned, to reconvene at the call of the Chair.]

[Material submitted for inclusion in the record follows:]

PREPARED STATEMENT OF REV. GREGORY BROWNE, STUYVESANT HEIGHTS CHURCH, BROOKLYN, N.Y.

Mr. Chairman, members of the Education and Labor Committee, youth unemployment has reached the point of being a national disaster. Officially unemployment among youth aged 16-24 is 3 million. The National Urban League and the AFL-CIO estimate the number to be much higher. According to the National Urban League's Hidden Unemployment Index, unemployment among Black youth has reached an all-time high of 57 percent. Statistics cannot adequately reflect the toll unemployment takes on one's personal life, family life and physical well-being. The unemployed youth of our country have no future to look forward to.

We (Youth March for Jobs), are an organization based on neighborhood and citywide formations of youth fighting for jobs. We strive toward getting all national student and youth organizations to fight for youth jobs on an ongoing basis. We continue to build jobs for youth committees in every major city.

We seek meaningful jobs for youth at trade union level wages and working conditions. Therefore, we do not agree with using tax credits to corporations as an incentive to hire young people. Youth are hired at training wages which are usually ½ the wage level of older trade union workers. So the company pays ½ the total wage and the other half comes from tax credits which come out of the pockets of taxpayers. Therefore, the employer prefers to hire youth because it costs the employer less than it costs to hire an older person. This pits younger workers against older workers and contributes to a general lowering of wage levels. This serves to undercut the buying power of workers which in turn causes production to lag resulting in more layoffs. So the use of tax credit worsens the problem. We do not advocate any job measures that pit youth against the unions or that forces youth to compete with older workers to get jobs. (We will, however, seek jobs for youth from private employers where that appears fruitful.) We are not against government encouraging small businesses to hire youth as long as wages are trade union or prevailing.

We strongly reject the notion that youth are responsible for their own unemployment. This ideology of blaming the victim has a sharp racist edge and claims that youth are unemployed because they don't want to work. The real problem is that there is not enough jobs to go around and the education and training that is provided is totally inadequate.

The private economy has left youth with an unemployment rate of 10 percent for 25 years. The private economy has not been able to absorb the huge pool of unemployed, particularly among Black and Hispanic youth. What's happening is that private industries are laying off workers. We believe it is the government's responsibility to provide jobs for youth since the private economy has failed to do so. We strive for public service and public works jobs that provide meaningful work for young people. Jobs that develop skills including on-the-job training, remedial education, that would be useful later on for private employment.

There is plenty of work to be done. These jobs should be geared towards building the communities we live in. Schools, hospitals, recreational facilities, low-cost housing are all basic necessities that young people can be put to work on. We are also for restoring any cutbacks in existing youth job programs such as CETA, even though we fight for improvements in CETA such as trade union wages, greater affirmative action in job programs, more meaningful jobs.

We strive for jobs at equal pay for equal work with trade union working conditions. The wages should be trade union or prevailing, whichever is higher. We object to youth being used as cheap labor, that threatens the jobs of older workers who receive trade union wages.

The unemployment rates among Black, Hispanic and other minority youth are disproportionately higher than among their white counterparts. For this reason we strive for jobs programs with affirmative action. We believe affirmative steps must be taken to overcome past discrimination in job hiring, training and promotion. This will serve to bring unemployment rates down to equal levels throughout the country.

We struggle for affirmative action in job programs while demanding more jobs for everybody. In order to win jobs for everyone, we must have unity. The basis for this is fighting for affirmative steps to be taken to guarantee equality in job hiring and promotion.

We work for the passage of Federal legislation such as the Youth Employment Act of 1979 (H.R. 4465). This will, if passed, provide jobs and job training for youth aged 16-22. Wages will be trade union or prevailing, whichever is higher. The bill also provides employment for disadvantaged youth.

This legislation is badly needed if it can reduce the unemployment rate to 10 percent in an assembly district like Harlem. Youth must be able to work in their local community and school districts. H.R. 4465 provides for academic input which is viable for young people if they are to survive this technological era. We seek the passage of such a bill because it provides jobs at meaningful wages and has a strong affirmative action clause which guarantees jobs for everyone.

We work for the passage of the shorter work week bill with no cut in pay introduced by Rep. John Conyers Jr. (D-Mich.). This bill, if passed, would create millions of jobs. Many of which might go to young people.

There are those who say that the Federal government has no money to provide jobs for youth. They state that taxes and inflation are already too high. As people who are bitterly affected by high taxes and inflation, we say that there is money for jobs. Job programs can be financed through slashing the bloated military budget and closing the over $130 billion in tax loopholes for the big corporations and the wealthy. This way, inflation is curbed and high taxes are reduced for working people and jobs can be created.

In striving to meet the job needs of youth, we use various methods. We seek to educate the public and lawmakers through conferences, studies, teach-ins, organizing guidelines, analysis of pending legislation. We also organize actions to apply pressure on Federal and local governments to create massive youth job and job training programs. These include lobbying, voter-registration drives, letter writing, petitions, marches, demonstrations and sit-ins.

EAST HARLEM COMMUNITY CORP.,
New York, N.Y., September 17, 1979.

The East Harlem Community Corporation has been in existance since 1967. During this span of time we have provided various youth programs in the area of East Harlem. We are presently operating a new program called "Youth Opportunities Unlimited" (Y.O.U.). The Y.O.U. program is funded by the Law Enforcement Assistance Administration.

This program is providing professional-therapeutic counseling to youths enrolled in various programs. We have found that the youth come in with a host of psychological and sociological problems stemming from economic, cultural, and familial stress. Many lack the positive self-images and appropriate skills (educational and vocational) to cope with the expectations of the world of work. This situation tends to produce defiant-acting out behavior which often intensifies anti-social or self-destructive patterns. Such inappropriate behavior is sometimes demonstrated within the public school system, on the job, at home or on the streets.

Not all youths growing up under ghetto conditions exhibit negative attitudes; some demonstrate healthy and positive characteristics. Their problems tend to be not so great. This small minority and not the larger number of troubled youth would benefit from those opportunities being offered.

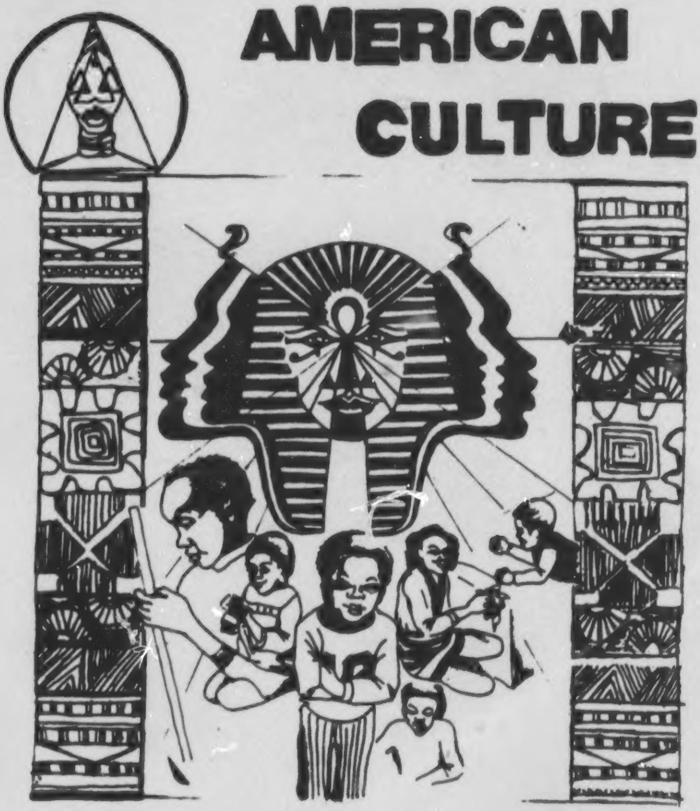
There is a tendency to believe that the solution to the problems of the troubled youth is as simple as providing employment. Jobs alone will not resolve their problems, many will not be able to hold on to their jobs without changing some negative attitudes. This can be best accomplished with the aid of professional services.

We feel that professional counseling will help these troubled youth change or moderate negative attitudes. Professional counseling can help to redirect their energies in a positive way. It is true that these youth need to be offered employment and training, but they must be capable of successfully using the opportunity. Without this capacity such an opportunity becomes just another failure in a life of failures.

Ramon Moran,
Youth Counselor.

PREPARED TESTIMONY OF SAIDI HAROLD SADIKIFU, CHAIRMAN, OURS INC., BRONX, N.Y.

AFRIKAN AMERICAN CULTURE



Kawaida Community

OURS INCORPORATED: HERE TO INSURE THAT WE, BLACK YOUTH GET OUR FAIR SHARE IN THE SELLING OF AMERICA, or SHOULD WE SAY, THE WEST

On the EVE OF THE OPENING OF THE THIRTY-FOURTH (34) SESSION OF THE GENERAL ASSEMBLY of the UNITED NATIONS, OURS INCORPORATED would like to SUGGEST a little FOOD FOR THOUGHT for the MEMBERS of the HOUSE SUB-COMMITTEE ON EMPLOYMENT, THE UNITED STATES CONGRESS, THE PRESIDENT and DAVID ROCKEFELLER.

1) On November 21, 1976, OURS INCORPORATED, a STUDENT CREATED, NON-PROFIT EDUCATIONAL CORPORATION submitted to the Bureau of African Affairs, Agency for International Development, United States State Department, the proposal INTERNATIONAL COOPERATIVE EDUCATION PROGRAM IN-ACTION, with a copy going to the House Committee on Education and Labor. The objectives of this SYSTEMATIC APPROACH TO PROBLEM SOLVING are:

   a. To STRENGTHEN AND ENRICH THE EDUCATION RECEIVED BY STUDENTS

   b. To ASSIST IN THE TOTAL DEVELOPMENT OF COLORED NATIONS ON ALL CONTINENTS

   c. To IMPLIMENT AN ECONOMIC SYSTEM TO FACILTATE THE SELF-SUPPORTIVE STATUS OF BLACK COLLEGES and UNIVERSITIES

   d. To FORM a CONGLOMERATE OF STUDENT MANAGED BUSINESSES CAPABLE OF ORGANIZING AN INTERNATIONAL JOB MARKET and EMPLOYING AN INTERNATIONAL POPULATION OF STUDENTS

   e. To CREATE A CASH FLOW IN DOMESTIC and INTERNATIONAL COMMUNITIES, AIDING IN THE STABILIZATION OF A TURBULENT ECONOMY

2) During the Spring of 1977, the report, Development Assistance Strategies Interim Report, by the Brookings Institute reenforced the CONCEPTS PROPOSED BY OURS INCORPORATED.

3) The American Assembly, an affiliate of Columbia University also CONCUR with some of the CONCEPTS PROPOSED BY OURS INCORPORATED.

4) THIS ADMINISTRATION'S NEW YOUTH INITIATIVES IS IN CONSENSUS WITH THE CONCEPTS PROPOSED BY OURS INCORPORATED but BECAUSE OF POLITICS, IT'S ABOUT TO MAKE A COSTLY MISTAKE THAT WILL HAVE FAR REACHING IMPLICATIONS.

With the ENTRANCE of ANDY YOUNG AS AMERICA'S NUMBER-ONE SALESMAN TO THIRD WORLD COUNTRIES, SEVERAL PERTINENT QUESTIONS ARE BROUGHT TO THE MINDS OF THE GOOD STUDENT (one who makes: critical inquiry and examination aimed at the discovery and interpretation of new knowledge: careful and diligent research:and has a committment to the particular area of study):

1) How is America going to deal with the urban communities as it relates to ECONOMIC DEVELOPMENT FOR THIRD WORLD PEOPLE during this period?
    a. What are the numbers of NEW JOBS FOR YOUTH?
    b. What kinds of guarantee that the jobs will reach the " jobless "?
    c. What NEW RESOURCES WILL BE AVAILABLE and HOW MUCH?
2) What kinds of HUMAN RIGHTS/CIVIL RIGHTS enforcement efforts will be made?
    a. How is it to be organized?
    b. How is it to be intergrated into NATIONAL POLICY?
    c. Who will be in Charge?
    d. What is the enforcement budget?
3) What assurances that NEW YOUTH GROUPS such as OURS INCORPORATED be included?
4) What happens when YOUTH GROUPS ARE IN CONFLICT WITH THE POLITICAL and ECONOMIC INTEREST OF THE MAYOR,etc..etc.

Appreciating and UNDERSTANDING that NATIONAL POLICY IS FOREIGN POLICY and DOMESTIC POLICY HAS LITTLE MEANING BEYOND A REFERENCE TO THE IMPACT OF NATIONAL POLICY ON DOMESTIC REGIONS and LOCALITIES, and that, IF NATIONAL GOALS ARE INTERNALLY INCONSISTENT,OR IF THE IMPLEMENTS OF NATIONAL POLICY ARE EMPLOYED IN SUCH A WAY AS TO FRUSTRATE EACH OTHER OR THE ACCOMPLISHMENT OF ONE OR SEVERAL NATIONAL GOALS,THE RESULTS ARE POPULAR CONFUSION AND FOREIGN OR DOMESTIC POLICY FAILURE.

With the PASSING OF THE RESOLUTION BY THE ORGANIZATION OF AFRICAN UNITY CALLING FOR INTERNATIONAL COOPERATION ON ALL HUMAN RIGHTS MATTERS: the PASSING OF THE RESOLUTION BY THE COUNCIL OF NONALIGN NATIONS CONDEMNING THE MASSIVE AND SYSTEMATIC VIOLATIONS OF THE MOST ELEMENTARY RIGHTS OF MILLIONS UPON MILLIONS OF HUMAN BEINGS WHO LIVE UNDER COLONIAL OR RACIST DOMINATION OR WHO ARE SUFFERING FROM THE CONSEQUENCES OF UNDERDEVELOPMENT AND ECONOMIC AND SOCIAL EXPLOITATION:

and MORE RECENTLY, OURS FRIEND, YASIR ARAFAT,CHAIRMAN OF THE PLO SUPPORTING THE RIGHT TO SELF-DETERMINATION OF THE AFRIKAN-AMERICAN PEOPLES BY COMPARING THE UNJUST AND BARBARIC TREATMENT OF THE AFRIKAN-AMERICANS WITH THAT OF THE PALESTINIANS, IT WOULD BEHOOVE THE POWERS-THAT-BE TO INCLUDE YOUTH IN THE COMMUNITY DEVELOPMENT PROCESS.

Finally.AS A SIGN OF THE TIMES.A TIME OF PROFOUND CHANGES and SOCIAL TRANSFORMATIONS.WE would SUGGEST, A SOCIAL,FORUM WORKSHOP,THAT WOULD INCLUDE ESTABLISHED LEADERSHIP and CREDENTIALED COMMUNITY BASED GROUPS to come to terms on how WE CAN ASSIST IN THE SELLING OF AMERICA,or SHOULD WE SAY,THE NEW WEST.

ASANTE (THANK YOU)

COMMUNITY COUNCIL OF GREATER NEW YORK
225 Park Avenue South • New York, N.Y. 10003 • (212) 777-5000

A Summary
of the
Findings
of the
Youth Conservation and Community Improvement Program
Abstracted from
the Community Council of Greater New York's
Youth Employment Monitoring Project Report
presented by
Ms. Barbara Cluts
July 16, 1979
at the
YCCIP Symposium
held at
the Ford Foundation's
Main Conference Room
320 East 43rd Street

Jack Sigel
President

Bernard M. Shiffman
Executive Vice President

Ladies and gentlemen, Congressmen, Legislative representatives for Senator Javits and representatives for Vice President Mondale, my name is Barbara Cluts and between January 1978 and April 1979, I served on a Citizen Monitoring Committee sponsored by the Community Council of Greater New York in a citizen monitoring project which looked at Youth Employment and Training Projects and Youth Conservation and Community Improvement Projects.

This project was funded by the Foundation for Youth Development, the New York Foundation, and the Tacoma Foundation. In addition, it had the support and encouragement of then, Commissioner Stanley Bresenoff.

The charge by the Board of Directors of Community Council to the citizen monitoring committee was:

1. To examine the intent of the youth employment and administrative project acts.

2. To observe and report a sampling of YCCIP programs and YETP activities.

3. To report on the strengths and weaknesses of these programs and to make recommendations to congressional leaders and to New York State legislators of the programs.

The purpose of YCCIP is to provide jobs and employment experience for youths ages 16 through 19 in community betterment projects. With a New York City allocation of $3.8 million dollars, the prime sponsor through the New York City Department of Employment negotiated contracts with about 38 different project sponsors in which the kinds of jobs developed included physical restoration projects, sealing of vacant buildings and the restoring of deteriorating or partially abandoned housing.

Although our monitoring project began in January of 1978, we were unable to make field visits to the YCCIP contractors until approximately six or seven months later. Delays in funding projects came about because of a new administration which was requesting more information of all contractors than had been requested before 1978. Although the Department of Employment had a list of about 38 YCCIP contracts in mid-February, the Department of Employment, in March, requested that the YCCIP forms be revised. Between March and July, these contracts were approved by the Board of Estimate.

Of the 38 YCCIP contracts, nine of them were monitored through field visits. All of the nine projects were visited in the first three months of operation, so the recommendations that were made were based on what we observed at the commencement of these programs. Of the nine sites visited, participants were being trained in building rehabilitation at six of the projects. Two other projects were training youths in advocacy-type work and one emphasized educational development along with work training.

Monitors returned from most of the nine YCCIP programs full of enthusiasm and excitement. The program design reflected physical restoration and service to needy groups. They seemed off to good starts and had been planned with community needs in mind. Youth and staff were generally eager to work and had a high degree of rapport. There were far fewer women than men enrolled at the sites which monitors visited.

All nine sites had the mandated participant-supervisor ratio of 12 to 1 or less. However, not surprisingly the ability of staff varied. Programs which employed temporary staff to teach youth specific skills seemed to have added an important training component to their programs.

The need to keep work experience programs unencumbered with extra qualifications was recognized by monitors. At the same time, the importance of helping participants to qualify for their high school equivalency diplomas was noted.

Monitors felt that while sound work experience programs had their own validity, in view of the pressing employment needs of youth, programs should be encouraged to develop permanent employment linkages.

Monitors were concerned by the failure to provide adequate job information and expressed the fear that youth's enthusiasm would turn to disaffection if jobs in fact were unavailable following the year's training.

The overall recommendations made in the report include the following factors:

1. Programs need to be designed so that youth will link up with jobs or be referred to other training programs sponsored by YETP and other programs servicing the youth.

2. The contracts should maintain a ratio of participants to supervisors no higher than 12 to 1. We had learned, since the report had come out, that in some cases projects have been requested to assist more young adults without receiving adequate monies in the budget to provide for more staff support.

3. The YCCIP should encourage more skill development by employing more journeymen and tradesmen so that youth may learn specific craft skills.

4. Projects need to have the flexibility and prime sponsors need to have the sufficient financial resources to allow for adequate staff time to counsel youth on a regular basis in order to help him with educational, health, and career needs. In funding next year's projects, it might be better to obligate monies with an understanding that past and potential accrual monies would be added to already sponsored contracts. The young adults need more help and money is there to be spent. The Department of Labor should look into this matter and make recommendations for assisting the young adults more expeditiously.

5. The programs need proper tools, work clothes, and sufficient equipment for each participant. (One would hope that the Department of Employment will work with other city and federal agencies as well as with corporate foundations to start guaranteeing that identifiable supplies needed in 1980 can be procured in time for the next work experience contract cycle.)

6. If contractors are not already developing participant contractual agreements, they should be viewed as standard operating procedure between each project sponsor and each youth participant.

7. The project sponsors should secure, when possible, community and city clearances under the employment program prior to its inception. When delays do occur, plans should be set up to redirect the program by involving participants in learning the cause of the delay and by involving them in helping to assist the committee. This should help to prevent demoralization or boredom which occurs with too many youngsters or when the early months are devoted only to rap sessions.

8. Job readiness activities and job development need to be incorporated in the program as young adults leave the program. (If there is not sufficient money in the project sponsor's contract to do this kind of activity, the city must realize that a mechanism needs to be developed in which these young adults are guided in workshops and seminars sponsored by other project sponsors through new contracts not existing at this time.) We cannot drop the young adults because the programs have ended. The city and project sponsors must immediately develop ways to guarantee other training and more job placements by maintaining them in a variety of programs until they are suitable for employment.

9. Efforts are needed to expand and encourage youth of both sexes to enter non-traditional jobs. Few women were in evidence at the housing restoration and revitalization sites.

Can you please send me copies of all the Board transcript.
At present I'm a staff member working at the Senate, (Senator Levy's office). We are presently looking into the youth unemployment problem. We are in the process of doing research on the different aspects of the problem. Therefore, I would appreciate greatly if these testimonies can be mailed to me at the following address:

New York Senate
Legislature Building
Senator Levy
c/o Sandra Lopez
Albany, N.Y. 12210

Thank you very much.

Sincerely,
Sandra Lopez

JAM

GIRLS CLUB OF NEW YORK/312 EAST 30TH STREET/NEW YORK, NEW YORK 10016/(212) LE 2-4827

ADMINISTRATION/432 Park Avenue South/New York, New York 10016/(212) 685-5222

September 29, 1979

RECEIVED

'79

Congressman Augustus F. Hawkins
Chairman, Subcommittee on
Employment Opportunities
B 346A Rayburn House Office
Building
Washington, DC 20515

Dear Congressman Hawkins:

On behalf of the Girls Club of New York, I would like to take this opportunity to express our support of H.R. 4465, H.R. 4536 and H.R. 4534, which will have a direct and positive impact upon our client population.

As an organization committed to the continued improvement and expansion of services for youth, particularly female, we are quite pleased with this special emphasis on women exhibited in the Youth Employment Act of 1979, and would like to offer a few additional comments regarding this new legislation.

Mr. Stanley Brezenoff, Administrator, New York City Human Resources Administration, testified that over 40% of those persons participating in Public Service Projects in New York City were under thirty years of age, which would seem to indicate that a large proportion of these persons were women on welfare with dependent children. Perhaps, if there were more adequate training and support services available to these women when they were younger, they would now not need to rely on publicly subsidized programs for support. Public monies would be better spent on employment training projects, geared specifically to the adolescent mother, with adequate supports built into the programs (i.e., child care services, basic education, counseling) to assure for program sucess.

I would also like to re-emphasize a sentiment which we have been hearing repeatedly from the private sector. Private employers are interested in hiring workers with an employment record, who can tangibly demonstrate that they know how to work. While employers can be expected to assume the task of teaching skills specific to the job for which they hire an employee, it is the job of non-profit social and vocational organization to teach a youth how to work--those work readiness skills of literacy, punctuality, appropriate job behavior, dress and language.

An effective partnership between private employers and non-profit educational and social agencies will exist if each is encouraged and enabled to perform those functions for which each is best equipped.

We hope that the proposed legislation is expeditiously reviewed and passed in Congress.

Sincerely,

Patricia Caesar

Patricia Caesar
Executive Director

PC:bb

Member Girls Clubs of America, Inc.

THE SENATE
STATE OF NEW YORK
ALBANY 12247

OFFICE OF THE MINORITY LEADER
RENA P. BUTTON
DIRECTOR OF POLICY PLANNING
518 455-2884

RECEIVED
'79
SUB COM ON
EQUAL OPPORTUNITIES

September 17th, 1979

Ms. Susan Grayson
Counsel to the
Subcommittee on Employment
Opportunities
B346A Rayburn House Office
Building
Washington, D.C. 20515

Dear Ms. Grayson:

I am enclosing Senator Ohrenstein's written comments on the legislation which was the focus of your Hearings in New York today.

We will appreciate your including them in your hearing record.

Most Sincerely,

Rena P. Button

Rena P. Button

RPB:ew

STATE OF NEW YORK

5636

1979-1980 Regular Sessions

IN SENATE

May 10, 1979

Introduced by Sen. OHRENSTEIN—read twice and ordered printed, and when printed to be committed to the Committee on Finance

AN ACT to amend the executive law, in relation to training and employment demonstration programs for youth and making appropriations therefor

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Article nineteen-G of the executive law is amended by adding a new title two-A to read as follows:

TITLE 2-A
TRAINING AND EMPLOYMENT DEMONSTRATION PROGRAMS FOR YOUTH

Section 507-a. Short title.
507-b. Legislative intent.
507-c. Definitions.
507-d. Conditions for approval of proposals.
507-e. Expenditures for operation and maintenance of training and employment demonstration programs for youth.
507-f. Programs authorized.
507-g. Programs of local boards of education.
507-h. Programs of youth bureaus.
507-i. Conditions for receipt of financial assistance.
507-j. Wage provisions.
507-k. Reports; monitoring and evaluation.
507-l. Conditions of approval of programs.

§ *507-a. Short title. This title shall be known and may be cited as "The training and employment demonstration programs for youth act".*

§ *507-b. Legislative intent. It is the finding of this legislature that unemployment among employable youth has grown to an intolerable level. While some programs exist which are designed to alleviate this problem, more must be accomplished, especially through involvement with the private sector.*

It is the purpose of this act to establish a program designed to make a long-term impact on the structural unemployment problems of youth. This program is intended to supplement, not replace, other existing programs and activities, to enhance the

EXPLANATION — Matter in italics is new; matter in brackets [ ] is old law to be omitted.

LBD9-51-696

employment opportunities of young persons through job experience in the private sector. By increasing the involvement of the business community, including small businesses and minority business enterprises, in employment and training activities under this act, private sector employment opportunities for economically disadvantaged and other unemployed youth will be increased. Other services besides employment and training shall be supportive as are necessary to enable participants to eventually secure suitable and appropriate unsubsidized employment in any sector of the economy.

To the extent possible this program shall be integrated with educational programs in secondary schools to enhance participation; to coordinate programs of employment and training and education enabling youths to develop job skills and knowledge about the work world; to gain work experience and training; to enhance employability while attending school; to provide incentive to those youths presently out of school to return to school and complete a high school education program while taking advantage of employment and training opportunities. It is also the purpose of the act to provide youth, and in particular economically disadvantaged youth, with opportunities that will lead to meaningful employment or self-employment opportunities once they have completed the program. Training and employment opportunities afforded under this program shall be interrelated and mutually reinforcing so as to achieve the goal of enhancing the job prospects and career opportunities of youths served under this program.

§ 507-c. Definitions. (a) "Division" shall mean the New York State Division for youth which became part of the executive department on July first, nineteen hundred sixty pursuant to chapter eight hundred eighty-one of the laws of nineteen hundred sixty, which is also known as article nineteen-G of the executive law.

(b) "Director" shall mean the executive director of the division for youth or his designated representative.

(c) "Youth bureau" shall mean any agency created by a county or city, or a town or village with total population of twenty thousand or more, and responsible to the chief executive thereof for the purpose of planning, coordinating and supplementing the activities of public, private, or religious agencies devoted in whole or in part to the welfare and protection of youth.

(d) "Local boards of education" shall mean the board of education of any school district, city school district or community school district.

(e) "Academic credit" means credit for education, training, or work experience applicable towards a secondary school diploma, a postsecondary degree, or an accredited certificate of completion, consistent with applicable state law, regulation and policy and the requirements of an accredited educational agency or institution in the state.

(f) "Artificial barriers to employment" means limitations in hiring, firing, promotion, licensing, and other terms and conditions of employment which are not directly related to an individual's fitness of ability to perform the duties required by the employment positon.

(g) "Economically disadvantaged" shall mean a youth who is fourteen to twenty-one years of age, inclusive, who:

(1) receives, or is a member of a family, which

(i) receives cash welfare payments under a federal, state, or local welfare program; or

(ii) had a family income during the six-month period prior to application for the program involved which would have qualified such family for such cash welfare payments, subject to federal, state and local regulations.

(2) has, or is a member of a family which has, received a total family income for the six-month period prior to application to the program (exclusive of unemployment compensation and welfare payments) which, in relation to family size, was not in excess of the higher of

(i) the national poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget of the federal government of the United States; or

(ii) one hundred percent of the lower living standard income level; or

(iii) is a foster child on behalf of whom state or local government payments are made.

(h) "Institutions of higher education", "secondary institutions" and "postsecondary institutions" mean those institutions defined as institutions of higher education in section 120 (a) of the Higher Education Act of 1965.

(i) "Recipient" means any private employer or corporation, or other entity or agency receiving financial assistance under this act whether directly from the executive director for youth bureaus or local boards of education by subgrant, contract, subcontract, agreement, or otherwise.

(j) "Supportive services" means services which are designed to contribute to the employability of participants, enhance their employment opportunities, assist them in retaining employment, and facilitate their movement into permanent employment not subsidized under this act. Supportive services may include transportation, child care, employment training and educaton and financial counseling.

(k) "Eligible youth" means any youth who is

(1) either unemployed or in school; and

(2) fourteen to twenty-one years of age inclusive, however, priority shall be extended to economically disadvantaged youth.

§ 507-d. Conditions for approval of proposals. The director shall not approve programs authorised under this title unless such youth bureau or local board of education provides assurances that the standards set forth under this title will be met and unless such youth bureau or local board of education submits a proposal. Each proposal shall:

(a) describe the programs and activities to be carried out with such assistance, together with a description of the relationship and coordination of services provided to eligible participants under this title for similar services offered by local educational agencies, postsecondary institutions, other youth programs, community-based organisations, and assurances that, to the maximum extent feasible, use will be made of any services available without reimbursement by the state employment service that will contribute to the achievement of the purposes of this title.

(b) provide assurances, satisfactory to the director that in the implementation of programs under this title, there will be coordination, to the extent appropriate, with local educational agencies, postsecondary institutions, community-based organisations, businesses, labor organisations, job training programs, local employment programs, other youth programs, the job incentive program, pursuant to article four-A of the commerce law and the apprenticeship program pursuant to article twenty-three of the labor law.

(c) provide assurances that eligible youth employed in programs under this title shall:

(i) be employed in accordance with all other sections of this title;

(ii) be employed in activities that;

(1) will result in an increase in employment opportunities which would otherwise not be available,

(2) will not result in the displacement of currently employed workers (including partial displacement such as reduction in the hours of non-overtime work or wages or employment benefits),

(3) will not impair existing contracts for services or result in the substitution of federal funds for other funds in connection with work that would otherwise be performed,

(4) will not substitute jobs assisted under this act for existing federally assisted jobs, and

(5) will not result in the hiring of any youth when any other person is on layoff from the same or any substantially equivalent job.

§ 507-e. Expenditures for operation and maintenance of training and employment demonstration programs for youth. Expenditures for operation and maintenance of training and employment demonstration programs for youth by youth bureaus and local boards of education shall be limited to:

(a) The costs of administration, monitoring, outreach, and supportive services as incurred by the youth bureau or local board of education; however, in any quarter, state aid for administration, monitoring, outreach, and supportive services shall be no more than ten percent of the total state aid received for that program;

(b) The costs of any subgrant, contract, subcontract, agreement or otherwise with recipients to be limited to no more than seventy-five percent of the wages paid to eligible youth in the private sector; and

(c) Other program costs as authorized by the director.

§ 507-f. Programs authorized. The director is authorized to provide financial assistance to youth bureaus and local boards of education to enable eligible recipients to provide employment opportunities in conjunction with youth training and employment programs including:

(a) Productive part-time employment and work experience in the private sector as has been developed for the eligible youth with consideration (to the maximum feasible extent) of the eligible participant's employment and training opportunities and capabilities;

(b) Appropriate training and supportive services to support the purpose of this title including, but not limited to:

(i) outreach, assessment, and orientation,

(ii) counseling, including occupational information and career counseling,

(iii) on-the-job training, including development of basic skills and job skills,

(iv) transportation assistance,

(v) child care and other necessary supportive services,

(vi) programs to overcome sex-stereotyping in job development and placement, and

(vii) programs and outreach mechanisms to increase the labor force participation rate among minorities and women.

§ 507-g. Programs of local boards of education. (a) Arrangements shall be provided to counsel and test each eligible youth at regular intervals to measure progress in educational and vocational programs.

(b) Arrangements shall be made to counsel and test each eligible youth prior to the scheduled termination from the program to determine their capabilities and every effort shall be made to place them in jobs in the vocation for which they have been trained or to assist them in attaining further training or education. In placing enrollees in jobs, utilization of the public employment service system shall be made to the fullest extent possible.

(c) Arrangements shall be made to determine the status and progress of enrollees scheduled for termination and every effort shall be made to assure that their needs for further education, training, and counseling are met.

(d) Appropriate efforts shall be made to encourage the granting by the local board of education of academic credit to eligible participants who are in school. The director shall, in carrying out the purposes of this section, operate with the department of education to make suitable arrangements with appropriate state and local education officials whereby academic credit may be awarded, consistent with applicable state law, by educational institutions and agencies for competencies derived from work experience obtained through programs established under this section.

§ 507-h. Programs of youth bureaus. Arrangements shall be made to counsel and test enrollees prior to the scheduled termination from the program to determine their capabilities and every effort shall be made to place them in jobs in the vocation for

which they have been trained or to assist them in attaining further education or training. In placing enrollees in jobs, utilization of the public employment service system shall be made to the fullest extent possible.

§ 507-i. Conditions for receipt of financial assistance. Eligible youths in on-the-job training and employment shall be compensated by the employer at such rates, including periodic increases, as may be deemed reasonable under regulations prescribed by the director considering such factors as industry, geographical region, skill requirements and individual proficiency, but in no event less than the higher of the rate specified in section 6 (a) (1) of the Fair Labor Standards Act of 1938 as amended or the applicable state or local minimum wage law.

Persons in work experience shall be paid wages not less than the higher of the rates specified in section 6 (a) (1) of the Fair Labor Standards Act of 1938 as amended or the applicable state or local minimum wage law.

No eligible youth shall be employed for more than twelve months in work financed under this section.

§ 507-j. Wage provisions. Rates of pay under this section shall be no less than the higher of:

(a) The minimum wage under section 6 (a) (1) of the Fair Labor Standards Act of 1938 as amended, but in the case of an individual who is fourteen or fifteen years of age, the wages provided in accordance with subsection (b) of section fourteen of the Fair Labor Standards Act of 1938 as amended;

(b) The state or local minimum wage for the most nearly comparable employment, but in the case of an individual who is fourteen or fifteen years old the wage provided in accordance with the applicable provisions of the applicable state or local minimum wage law; or

(c) Whenever an existing job is reclassified or restructured, eligible youths employed in such jobs shall be paid at rates not less than are provided for under subdivisions (a) and (b) of this section, but if a labor organization represents employees engaged in similar work in the same area, such eligible youths shall be paid at rates specified in an agreement entered into by the appropriate youth bureau or local board of education, the recipient, and the labor organization with respect to such reclassified or restructured jobs, and when no agreement is reached within thirty days after the initiation of the agreement procedure referred to in this subdivision the labor organization, the youth bureau or local board of education, or recipient may petition the director who shall establish appropriate wages for the reclassified or restructured positions, taking into account wages paid by the employer to persons engaged in similar work.

§ 507-k. Reports; monitoring and evaluation. (a) Youth bureau or local board of education shall submit reports to the division every six months concerning interim findings of programs authorized under this section. Included in such reports will be findings with respect to:

1. the number of youths enrolled at the time of the report;

2. the cost of providing employment opportunities to such youths;

3. the degree to which such employment opportunities have caused out-of-school youths to return to school or others to remain in school;

4. the number of youths provided employment in relation to the total which might have been eligible;

5. the kinds of jobs provided such youths and a description of the employers providing such employment;

6. the degree to which on-the-job or apprenticeship training has been offered as part of the employment;

7. the effect such employment opportunities have had on reducing youth unemployment in the areas of the youth bureau or local board of education operating a program; and

8. the impact of job opportunities provided under the program on other job opportunities for youth in the area.

(b) Nothing in this section shall be construed so as to prohibit the subcontracting of monitoring and evaluation services by the youth bureau or local board of education.

§ 507-l. Conditions of approval of programs. (a) No person shall be excluded from participation in, denied benefits of, subjected to discrimination under, or denied employment in the administration or in connection with any such program because of race, color, religion, sex, national origin, age, handicap, or political affiliation or belief.

(b) Every eligible youth, prior to entering employment or training, shall be informed of the individual's rights and benefits in connection with such employment or training.

(c) Programs shall contribute, to the maximum extent feasible, to the elimination of artificial barriers to employment and occupational advancement.

(d) Appropriate health, safety and other standards for work and training shall be established and maintained.

(e) Household support obligations shall be taken into account, and special consideration shall be given alternative working arrangements such as flexible hours of work, work-sharing arrangements, and part-time jobs particularly for parents of young children and students.

(f) All programs, to the maximum extent feasible, shall stress occupational development, upward mobility, and the development of new careers.

(g) All programs shall be designed, to the maximum extent practicable, consistent with every individual's fullest capabilities, to lead to employment opportunities enabling youth to increase their earned income and to become economically self-sufficient.

(h) No person shall be referred for training unless there is a reasonable expectation of employment in the occupation for which such person is being trained.

(i) All programs shall accept persons fifty-five years of age and above who volunteer their services to the program and shall be integrated into the counseling and other supportive services offered under the program. Services of the elderly shall be accepted only on a volunteer basis.

(j) Any unauthorized resignation by a youth of this program's sponsored employment will result in the youth's permanent withdrawal from the program. In such an event the youth-trainee will not be considered for another position.

(k) An employer shall have full authority over the eligible youth. He will have the authority to dismiss a youth as he would any other employee. Such a dismissal will constitute automatic withdrawal from the program.

§ 2. Section four hundred twenty of such law is amended by adding a new subdivision two-a to read as follows:

2-a. Notwithstanding the provisions of this section: (a) any youth bureau or local board of education may submit to the director a proposal, for the provision of training and employment programs for youth, including but not limited to time-limit demonstration or experimental projects designed to prevent or treat youth delinquency by providing employment and training in the private sector, in accordance with the regulations of the director. No proposal shall be approved by the director unless and until the youth bureau or local board of education has entered into a contract with the director to conduct such demonstration or experimental programs upon such terms and conditions as may be required by the director.

(b) Such youth bureau or local board of education shall also submit to the director estimates of anticipated expenditures for operation and maintenance of its training and employment demonstration program for youth at such time, in such form and containing such additional information as the director may require. At the end of each quarter each youth bureau or local board of education shall submit to the director, in such form as the director may require, a verified accounting of the

financial operations of such training and employment demonstration program for youth during such quarter together with a claim for reimbursement of such amount.

(c) Upon approval of such proposals for training and employment demonstration programs for youth, the director shall certify to the comptroller for payment by the state of such expenditures as approved by the director after first deducting therefrom any federal or other state funds received or to be received on account thereof in the amount of one hundred percent of approved expenditures. Reimbursement pursuant to this paragraph, shall be from and limited to funds appropriated separately by the state for such training and employment demonstration programs for youth.

§ 3. The sum of three million dollars ($3,000,000), or so much thereof as shall be necessary, is hereby transferred to the division for youth from appropriations made to existing youth development and delinquency prevention funds for the purposes of carrying out the provisions of this act. Such sum, upon transfer, shall be payable on the audit and warrant of the state comptroller on vouchers certified or approved by the director of the division for youth, or his duly designated representative in the manner provided by law.

§ 4. The sum of two million dollars ($2,000,000), or so much thereof as shall be necessary, is hereby appropriated out of any moneys in the state treasury in the general fund to the credit of the state purposes fund, and not otherwise appropriated to the division for youth for services and expenses for the purposes of carrying out the provisions of this act. Such sum shall be payable on the audit and warrant of the state comptroller on vouchers certified or approved by the director of the division for youth, or his duly designated representative in the manner provided by law.

§ 5. This act shall take effect immediately and shall remain in full force and effect only until December thirty-first, nineteen hundred eighty-three.

TESTIMONY OF SENATOR MANFRED OHRENSTEIN, NEW YORK STATE SENATOR

Mr. Chariman and Honorable Members of the Subcommittee:

I appreciate the opportunity of commenting on H.R. 4465, H.R. 4534, and H.R. 4536 because it becomes much more clear that the burden of joblessness in this country is highly selective, falling heaviest on those least able to bear it -- the young and the disadvantaged -- and persists even in periods of economic expansion.

There can be few more serious shortcomings in a society than the failure to provide a reasonable supply of suitable employment opportunities. Yet the last time our youth unemployment rate was under 10 percent was 20 years ago. No wonder that, according to a recent survey, fewer than 15 percent of American young people feel they are a part of the free enterprise system.

I commend this Subcommittee, and particularly my friend Congressman Ted Weiss, for your effort to attack this serious failure.

New York State Department of Labor figures indicate that 363,000 young people between the ages of 16 and 19 are unsuccessful at finding a job in New York State, and certain government figures place the unemployment rate for Black youth at 47.5 percent. These figures don't even include the "hidden unemployed" -- those who have given up and no longer are seeking employment.

So the bills you address today are very promising, especially to the extent to which they address these problems. My only concern is that they continue to concentrate too heavily on employment opportunities, incentives and training programs in the public rather than the private sector. We know that 81 percent of the jobs becoming available are private-sector opportunities. The proposed Federal program certainly begins to recognize the importance of the private sector, especially the jobs tax credit aspect, private industry councils, expansion of apprenticeship programs, and the U.S. Employment Service expansion. However, while current CETA programs allocate only 8 percent of their funding towards the private sector, the proposed expansion would allocate only approximately 4 percent towards private-sector employment. This should be expanded.

The concept of opening the enrollment in Youth Incentive Employment Programs to include young people in secondary schools is superb. Integration of employment and education programs is a must. This is a concept which is stressed heavily in legislation which I have introduced in the New York State Senate (a copy of which is enclosed).

Expansion of the apprenticeship program is potentially valuable for New York State. This program could integrate

(more)

very well with a program now operating in the garment industry in my district, which we know could provide additional jobs if adequately funded.

The goals of H.R. 4534 -- to reduce youth unemployment to 10 percent in one year and to 3 percent in two years -- are quite optimistic. In order to accomplish these goals, more emphasis must be placed upon the private sector, in my opinion. In addition, placement activities must improve if this funding is to be valuable. This is especially so in the WIN program which suffers from unaccountability in its placement practices, and has therefore been considered a program of minimal value.

Subsidized on-the-job training is the best instrument which is currently available to bring dropouts into the private sector, the sector which comprises four-fifths of the available jobs.

The problems which disadvantaged youth face when attempting to obtain employment include deficiencies in preparation and experience. Many of them have no high school diploma, and even those who have graduated possess few marketable skills. In a job market where on-the-job experience is highly regarded, few employers are willing to take a chance on the unskilled and the inexperienced. This accounts, in part, for the staggering unemployment rates previously mentioned.

According to a longitudinal study made by the President's Commission on Manpower Policy, youth in the New York City-centered OJT program displayed earning gains equal to, or greater than, gains made by youth in institutional training programs. Many youth in urban areas have stressed their preference for real jobs in the private sector over make-work "shuffling" in government. In spite of the effectiveness of the on-the-job training type of program, and its endorsement by the Commission, the Federal Government is still not investing significantly in this type of program.

We, in New York State, have attempted to bridge that gap by a program developed by my office, entitled "Training and Employment Demonstration Programs for Youth (TEDY).

It would be coordinated by local Boards of Education and Youth Bureaus through contracts with the Division for Youth and would be responsible for placing youth in private-sector jobs and providing a range of supportive services to the youth involved. As an incentive to the employer, the wages for each job would be subsidized in accordance with a contract with the employer. Subsidies would comprise up to 75 percent of the wages to be paid to each youth.

The program is designed to make a long-term impact on the structural unemployment problems of youth and is intended to supplement, not replace, other existing programs and activities, to enhance employment opportunities for youth through job experience in the private sector. I believe that increased involvement of the business community, including small businesses and minority business enterprises, in employment and training activities of TEDY will increase private-sector employment opportunities for economically disadvantaged and other unemployed youth.

The program would be integrated with education programs in secondary schools to enhance participation. Job skills, knowledge about the work world, training and work experience enhance employability while attending school. In addition, these opportunities provide incentives to return to complete high school while taking advantage of employment opportunities.

TEDY jobs would not displace currently employed workers or result in the hiring of any youth when another person is on layoff from the same or any equivalent employment. We hope many of the jobs will be targeted toward small businesses, and the self-employed as well as inner-city industries. The incentives being offered would be coordinated with the Federal job incentive program to expand opportunities to the maximum.

By implementing TEDY, an initial and important step would be taken toward alleviating some of the burden of costs that are presently being borne by the overall population of New York State. Youth would be provided with a feasible and hopeful alternative to being both unemployed and idle. They would be given greater incentive to obtain a high school diploma or its equivalent, while simultaneously receiving the necessary training and work experience which could open doors to career opportunities. Immediate earnings would also be another incentive to work. Welfare dependency among youth from the age of 16 to 21 years would decrease. With the State and the Federal Government the recipients of $58 million and $103 million, respectively, in taxes -- thus turning a liability into an asset.

In conclusion, I would like to call attention to some crime figures released on September 9, 1979, by the United States Department of Justice. They demonstrate that of 892,000 arrests of persons 16 and over, 399,000, or 44.8 percent, were of persons between the ages of 16 and 24.

I personally am convinced that time is running out. We can no longer talk about the disenchantment of our youth and the resultant asocial behavior. We must act now to make our America their America through realistic comprehensive programs which meet their training, employment, and social needs. Through Federal and State partnership, we will come a long way toward achieving that goal, expanding our productive capacity at the same time.

Thank you, Mr. Chairman.

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NATIONAL PUERTO RICAN FORUM
EST. 1957

MANUEL A. BUSTELO
Executive Director

September 14, 1979

Subcommittee on Employment
Opportunities
B346A Rayburn House Office
Building
Washington, D.C. 20515

RECEIVED
'79
SUB. COM. ON
EQUAL OPPORTUNITIES

As per the correspondence received from Congressman Ted Weiss, dated September 10, 1979, the enclosed is to be incorporated into the record.

Thank you.

Sincerely,

Angelica Suarez
Executive Secretary

Enclosure

New York, New York
Miami, Florida

Chicago, Ill.
Philadelphia, Pa

Boston, Mass.
Washington, D.C.

Hartford, Conn.
Cleveland, Ohio

TED WEISS
20TH DISTRICT
NEW YORK
[illegible] Longworth Building
Washington, D.C. [illegible]
[illegible]

[illegible] West [illegible] Street
New York City [illegible]
[illegible]
[illegible] West [illegible] Street
New York City [illegible]
[illegible]
[illegible] Columbus Avenue
New York City [illegible]
[illegible]
Ralph K. [illegible]
Administrative Assistant

Congress of the United States
House of Representatives

SEP 12 1979

September 10, 1979

Dear Friend,

I would like to invite you to the hearings on Youth Employment Programs sponsored by the Subcommittee on Employment Opportunities of the House Education and Labor Committee, on which I serve. The hearings will be held from 9:00 AM - 12:00 PM, September 17, 1979, in the community room of 3333 Broadway (at 135th Street) in Manhattan.

The hearings will focus on three new pieces of youth legislation. These include H.R. 4465 which would expand Title IV and extend Title VII of CETA, authorize a special fund for work and training opportunities under WIN, establish an Interagency Coordinating Committee for youth employment, establish a youth employment component within the Employment Service, and expand apprenticeship programs, H.R. 4534 which would establish a program of full employment, vocational training, and employment placement for all youths willing and able to work; and H.R. 4536 which would extend the targeted jobs tax credit program to 16-18 year old economically disadvantaged students.

Your written comments on this new legislation would be most appreciated and will be incorporated into the record. Please send these comments to the Subcommittee on Employment Opportunities, B346A Rayburn House Office Building, Washington, D.C. 20515. Unfortunately due to time constraints the subcommittee has limited the number of people who will testify and is unable to accommodate everyone who would have a valuable contribution on this important subject.

If you have any questions regarding the hearings please direct them to Tracy Miller of my staff at 37 West 65th Street, New York City 10023. The phone number of my office is 787-3480.

I look forward to seeing you at the hearings.

Sincerely,

Ted Weiss
TED WEISS
Member of Congress

TW/th

- HEARING ON YOUTH EMPLOYMENT PROGRAMS -

TESTIMONY OF
MANUEL A. BUSTELO
NATIONAL EXECUTIVE DIRECTOR
NATIONAL PUERTO RICAN FORUM, INC.

AT THE HEARING
OF THE
SUBCOMMITTEE ON EMPLOYMENT OPPORTUNITIES
OF THE HOUSE EDUCATION AND LABOR COMMITTEE

HELD AT
3333 BROADWAY
NEW YORK, NEW YORK

SEPTEMBER 17, 1979

National Puerto Rican Forum

New York, New York
Miami, Florida
Chicago, Ill.
Philadelphia, Pa.
Boston, Mass.
Washington, D. C.
Hartford, Conn.
Cleveland, Ohio

I welcome opportunities to speak at public hearings because I feel that enough cannot be said about the disadvantaged condition of the Puerto Rican and Hispanic citizens and residents of the United States. I will continue to speak, until I am heard.

I am all too much aware of the distinction between speaking at hearings and being heard. I hope that I am not talking to the hearing stenographer, to achieve little more than a statement in a hearing report. The nation must not only hear, but act, because the problems of Puerto Rican and Hispanic Youths go to the very heart of our national well-being, and prospects for national well-being in the years to come.

The subject is "Youth". Youths are the hope of the country. Youths are the hope of the Puerto Rican and Hispanic communities as well. When youths 20 years of age or younger represent 52.9 percent of the total Puerto Rican population in the mainland United States, they constitute not only the future of the community, but the present as well.

The Puerto Rican community is young, with a median age of 19.4 years. Of the total number of Puerto Ricans counted in the 1970 Census (undercounted is more the word), some 1,753,000 persons, 1,048,294 (59.8%) were 24 years of age or younger. Those 17 years of age or younger, numbered 825,563 and represented 47.1 percent of the total. Those in the 18-24 years of age group, numbering 226,441, represented 12.7 percent of the total.

What is a Puerto Rican or Hispanic youth? Is a youth someone between the ages of 16 and 21? Or, like in the Puerto Rican and Hispanic communities, are youths also parents, heads of household or families, separated, divorced, abandoned, widowed, displaced homemakers, ex-addicts, ex-offenders, students, school dropouts, children at home, or unrelated individuals living alone? Like others in the larger society, they are skilled and unskilled, educated and poorly educated, employed and unemployed, employable or unemployable. Youths in the Puerto Rican and Hispanic communities are woven into the very fabric of the society, and can be found in all conditions and places.

Not only do, in a sense, Puerto Rican youths "grow up" faster in such a young community, but they sooner face the hard realities of the status and conditions of Puerto Ricans and Hispanics in the United States. They face formidable obstacles to advancement at an early age. In our society, Puerto Rican youths have the least chances for advancement than any other sector, and currently, the least prospects for advancement.

They have been counted. We know how many drop out of school, how many are in the labor force, how many are unemployed, and about their skill shortages. It is not the shortage of data which impeded advancement, but short-sightedness on the part of manpower researchers, designers and planners, which inhibited progress. The diagnoses were wrong, the treatment was casual, the medicines prescribed were for the wrong disease, and the cures were infrequent. To date, little has been done for Puerto Rican youths, and that which has been done, has not been directed towards meaningful change over the long-term, but towards public relations and lip service. Studies begat studies. There has been little effort made to look behind the statistics, identify underlying factors, and establish projects which deal not only with Puerto Rican youths, but Puerto Rican youths as significant components of the larger Puerto Rican community.

Planning and programming were the products of Anglo-and-English perspectives from an Anglo-and-English vantage point. The needs of Puerto Rican youths were not evaluated from a Puerto Rican community-Spanish vantage point, or from Puerto Rican community perspectives. It was largely imposed from the outside, and the community was forced to fit a pattern cut by authorities unaware of the deep community needs, dynamics, conditions or perceptions. It did not work. It will not work that way. It cannot work that way.

Consider the resources - those available in the society, and those of the Puerto Rican youths.

Under CETA Legislation, within a prime sponsor's service area, services must be distributed in direct proportion to the numbers of ethnic eligigles in that area. Thus, if Puerto Ricans account for 50 percent of the eligibles, programs and services should have 50 percent participation.

In many of the urban centers in the United States, Puerto Ricans and Hispanics account for large percentages of local eligibles, yet they never participate on a proportionate basis. From the very onset, they are discriminated against. They receive only the bones of funding, despite the law.

Under CETA Legislation, a contractor should have demonstrated effectiveness as a provider of manpower services, and a record of fiscal responsibility. New organizations and groups in localities across the country do not have such track records, and Puerto Rican communities go unrepresented on manpower planning councils, and as contractors providing programs and services.

Program dollars go to other sectors, which are supposed to serve Puerto Ricans and Hispanics as well. This never worked, and will not work, for good reasons. I shall document that later.

Because different people speak Spanish or are of Spanish origin, does not mean that they share the same culture, have the same perceptions or needs, or can be trained in a common manpower program. Historically, it has been proven in all places, that projects managed by Blacks, tend to attract and serve Blacks. Projects managed by Mexican-Americans, tend to attract and serve Mexican-Americans. Where no projects are managed and delivered by a Puerto Rican community-based organization, Puerto Ricans are not served. That is a programming fact of life. In simple terms, Puerto Ricans are best served by Puerto Ricans.

First then, before any reference to the problems and needs of Puerto Rican youths, there must be Puerto Rican community representation on local manpower planning councils, there must be Puerto Rican community-based organizations to provide programs and services to Puerto Rican residents, and there must be proportionate distribution of allocated funds for manpower services according to the number of ethnic eligibles in a given area. Then , and only then, can something be done for Puerto Ricans, on a meaningful scale, and only then can training and preparation have impact on the problems of the Puerto Rican community.

Provided the resources earmarked for the Puerto Rican community, given the Puerto Rican organizational providers, given a Puerto Rican community perspective and vantage point, there can be significant impact on the conditions and needs of Puerto Rican youths, or because of their representation in the community itself. These are basic to all else.

Now, given all of the above, what can be done? Consider for a moment the Puerto Rican community. What must be done, must reflect actual needs, impact, long-term benefits, cost effectiveness and value to the society at large in the United States. Program dollars are an investment, and should derive a fair return. They could. Sound planning, good programming can ensure a successful operation with societal "profits".

Puerto Rican youths need jobs - but what is a job? Puerto Rican youths must be trained to be job-ready, but for what jobs? What is job-ready?

To advance in the society, Puerto Rican youths must establish competitive skills, to be able to compete fairly with others in the labor force. Their skills must be broad enough, developed enough, and transferrable to such a degree, that they can qualify for unsubsidized employment at starting wages, at least 20 percent above minimum wages, and enter into employment with mobility.

If a worker is employed in a low-occupational, low-wage, low-status job without mobility, and without developed competitive skills, that worker is locked into a condition from which he or she cannot escape. For over thirty years, Puerto Ricans have been locked into such situations. Over 70 percent of Puerto Rican workers were in low-wage jobs, with little escape. With the flight of industry and blue-collar jobs from urban centers in the Northeast, and other sections of the country, they were left without job opportunities and without competitive skills or transferrable skills of value. This pattern cannot be repeated.

If on-the-job training prepares a Puerto Rican youth for a single job, and develops skills which are not competitive or transferable it is unsuccessful, even though workers were placed. In today's markets, workers must be versatile, multi-skilled, and most of all, competitive with others in the labor force. Training must be client-oriented, and not employer-oriented. Naturally, training must provide a versatile range of skills sought by employers, but the client must be prepared to compete in job markets, and not be bound to perform one task for one employer. Training must be progressive, not regressive. Old patterns must be broken.

Consider the views of employers on the Forum's Employers Advisory Council. These views were shared as well by the consensus of opinion at the Youth Forums held by USDOL across the country.

Employers consider as essentials, the following skills or attainment for entry level employment:

1. a high school diploma or a high school equivalency diploma;
2. English-language skills sufficient to function well on-the-job, or in in-house training;
3. math skills, at least on the CAT 10.0 level;
4. familiarity with work environments and patters here; familiarity with dress, behavior, performance, productivity on-the-job here; understanding of business paper, procedures and systems;
5. phone skills - communication skills;
6. other skills depending on the entry job;

Opportunities today lie more and more in the white-collar fields for both males and females. Preparation of Puerto Rican youths must enable them to meet at least the essential entry-skill levels.

While to an Anglo-English-oriented youth, the previous attainment may seem minimal, to Puerto Rican youths those attainments are often not yet attained and difficult to attain. If English-language skills are poor, as they are in almost 60 percent of the cases, they can only be upgraded through intensive training. If math skills are undeveloped, as they are in many cases, they require intensive attention. If a youth lacks exposure to modern business environments or business patterns, they can only be given the experience and exposure through training, simulations and orientation. If they lack high school diplomas, as most do, they must be trained and prepared to take and pass the high school equivalency examination. If they have never worked on a job here, they have to learn how to dress, act and perform. Thus, as newcomers to the mainland, or as persons born here or raised in a cultural background different from the Anglo-English-business environment, they have much to learn, to become even basically competitive for the very basic entry-level jobs in white-collar fields.

If their educational attainment is poor, as is true in the larger number of cases, they may not qualify for employment. They may not qualify for CETA-funded training programs as well.

Skills training programs establish entry criteria. Those programs which are Anglo-English-oriented, preclude participation by Puerto Rican youths, who have English-language skills shortages, or poor educational attainment. The Report of the United States Commission On Civil Rights, March, 1976, notes case after case, city after city, where Puerto Ricans were excluded from training because of their language differences or attainment. Further, the report notes that program management does not even recognize the problems or make any provision for them. As a result, the participation rate of Puerto Rican eligibles in CETA-funded programs was minuscule.

While the CETA planners concentrate on skills training, the Puerto Rican youths badly require pre-skills training to qualify for participation in skills training programs. The National Puerto Rican Forum, Inc., in a project with the Department of Employment of New York City, established two Training/Preparatory & Placement Programs, under the Inter-title transfer concept. Those applicants who could not qualify for participation in skills training programs, were given six-months training in basic skills and English skills. At program's end, over 85 percent qualified for acceptance into skills training programs.

The two TPPP's mentioned are the only two such cases in New York City, with almost 58 percent of the nation's Puerto Rican population.

It is not enough to make skills training available, if the target populations cannot qualify for participation. First things must come first, to establish an orderly development. Designing and planning must be client-oriented.

In the Forum's Career Services & Job Placement Program, which operates in eight states, and nine centers, it was found that jobs were available in Hartford, Chicago, Boston, Philadelphia, Miami, New York City, Cleveland, center cities, but qualified Puerto Ricans were often not as available. It was found that there was a severe shortage of pre-skills training and skills training directed towards Puerto Ricans, and therefore, a severe shortage of Puerto Ricans with competitive skills. While the CS & JP Program placed Puerto Ricans and other Hispanics, it also was unable to serve large numbers in need of employment. Those without the basic essentials, who cannot qualify for skills training if it were available, have nowhere to go. Those with nowhere to go account for over half of the Puerto Ricans in the labor force, and almost all of those not in the labor force.

When data reveals that in the age groups 16 to 24 years of age, males had only a 49.1 percent participation rate, and females only a 28.8 percent participation rate, it becomes evident that most Puerto Rican youths are not in the labor force. When only about half of those in the labor force are employed, it becomes apparent that there are grave problems to be solved.

When the number of female heads of household or families, largely in the 16 to 21 years of age group, have only a 28 percent labor force participation rate, with a 60 percent unemployment rate, the very foundation of the Puerto Rican home and family is threatened. When the Puerto Rican family over the past 10 years lost one earner on the average and suffered higher states of no-earners, youths who are married, with or without families, cannot contribute to the family's well-being or advancement, but rather become burdens on diminished family incomes. Displaced homemakers need work. Most do not work. Most are on public assistance. Wives need work. Families need added income just to overcome inflation. Youths need work, to support themselves or their families. There is work, but they often do not qualify for employment. There are skills training programs, but they do not qualify in a great many cases. There are almost no pre-skills training programs.

Different sectors require different training. For instance, displaced homemakers who are also youths, may never have worked, or may have worked for only a short time. They have the additional burdens of home and family. Programs for displaced homemakers, or wives, or parents, must also serve emotional, psychological and social trauma or concerns. Special programs must serve special groups. Universal training cannot serve all cases.

The sensitivity to the problems and concerns of program participants is as important as the provision of skills through training. Participants must be prepared emotionally and psychologically as well as job-skill wise. If the providers of programs or services cannot communicate or understand the deep-rooted problems of the Puerto Rican community, the family, the individuals, they cannot either structure projects to successfully fill certain needs or attend to certain concerns, or provide the counseling and guidance in the proper text and frame, to serve those clients.

That has been a major CETA failing.

Needs arise in the community, and society must serve them for the public good. The needs and conditions in the Puerto Rican community must be served in order to serve the public good. Employers can set entry standards, provide work, and sincerely seek to cooperate. Without attending to the basic and real needs of the youths in the Puerto Rican community, without providing the kinds of preparation, orientation and training, they need to qualify for training and employment, and adjust to new patterns and environments, good intentions and funding dollars can have no meaningful impact on the problems of Puerto Rican youths, or the larger Puerto Rican community.

Failure to address the real issues only continues the problems and compounds them in a changing world. Public assistance burdens can only be reduced through attention to the critical needs of the persons on public assistance. Wishing will not make them go away.

There is much research to be done - not so much in the cold statistical accounting, but in the real needs analytical areas. There is little known about Puerto Rican youths. They have a high school dropout rate (the highest of all sectors), but nobody has really found why. They have become disillusioned with the system, but nobody has really examined the causes and effects. Nobody has studied their perceptions, beliefs, views and attitudes. We know there are hundreds of thousands of Puerto Rican youths in need, but we do not fully know what they want, what they need, and what it will take to move them from states of unemployment and despair, into training, employment and self-sufficiency with positive perceptions.

It is time that the investigation warmed up and dealt more with the human factors.

From the inside, we must learn more about Puerto Rican youths. From the outside, we must address their real and obvious needs. A comprehensive action on this broad front could inter-relate all of the forces which relate to their advancement, and truly impact the problems with efficiency, in sufficient numbers served, to make a difference.

It is time.

New York
Center for
Community
Affairs
Serving People and
Their Community

(formerly N. Y. Center for Ethnic Affairs)

Executive Director, Phil Foglia

Boston Rd. Senior
Citizens Center
Bronx State Hospital
Bronx YMCA
Castle Hill Community
Center
Einstein Hospital
F.A.C.E.
Holy Rosary School
Holy Spirit
Jacobi Hospital
Middletown Plaza Senior
Citizens Center
Morningside House
Neighborhood Stabilization
Program
NETS
N.E. Bronx Senior
Citizens Center
Pelham Bay Community
Assn.
R.A.I.N.
S.E.B.C.O.
St. Clare's School
YMCA
Zerega Community
Assn.

RECEI [illegible]

September 24, 1979

Subcommittee on Employment Opportunities
B346A Rayburn House Office Building
Washington, D.C. 20515

To Whom It May Concern:

Pursuant to your request regarding new legislation, I am forwarding to you the comments I feel are pertinent.

Sincerely,

Phil Foglia
Executive Director

CC: Ted Weiss

PF:lf

Administrative Offices: 2742 East Tremont Avenue • Bronx, N.Y. 10461 • (212)931-4424
Employment Center: 2712 East Tremont Avenue • Bronx, N.Y. 10461 • (212)828-1114

To open, it is the feeling of the New York Center for Community Affairs that any and all legislation aimed at increasing and expanding funding to benefit unemployed youth is a necessary and integral preventive measure to combat youth problems and to direct young men and women on productive career paths.

The New York Center for Community Affairs is a private, non-profit multi-service center assisting Bronx residents in such areas as Education, Social Service Advocacy, Employment and Economic Development. Servicing a community of people from varied socio-economic backgrounds, our observations, backed by studies, are that problems facing youth cut across all financial, racial and cultural lines.

Unemployment is often a cause for what society deems deviant youth behavior such as increasing participation in gangs, drug abuse, crime, and an increase in the High School drop-out rate. It is a major problem facing our society today and lack of programming geared towards youth will allow this problem to escalate in the future. Current programming designed for youth has been effective in providing trainees with practical work experience, a sense of responsibility and the knowledge of the importance and satisfaction of performing a job well done. Increased funding to these programs and the addition of new programs will make these necessary services, such as counseling, skills training and job placement available to larger numbers. Cooperation from the private sector with regard to training program acceptance is a powerful indication that these increases will be effective.

An additional consideration is that many youth not from economically disadvantaged homes no longer have the traditional employment opportunities such as construction, police, fire and availability of other city, state and federal positions. Further, there is a lack of jobs requiring little or no prior experience. Both these factors point to a potential increase in the unemployment level. The strength that our city receives from its working and middle class will decrease as their youth join the ranks of the poor due to no skills, poor education and no jobs. This phenomena is one which has not been properly explored and is an ominous sign for the future. Immediate attention to this matter has not been forthcoming. It needs attention now.

It is our opinion that the newlegislation (H.R. 4465, H.R. 4534, and H.R. 4536) being discussed, is a strong step towards accepting these problems and making a concerted effort to effectively deal with them.

United
Neighborhood
Houses

101 East 15 Street
New York, N.Y. 10003
(212) 677-0300

STATEMENT FOR THE
SUBCOMMITTEE ON EMPLOYMENT OPPORTUNITIES
HOUSE COMMITTEE ON EDUCATION AND LABOR

Concerning Youth Employment Programs

September 26, 1979

Submitted by

UNITED NEIGHBORHOOD HOUSES OF NEW YORK, INC.

United Neighborhood Houses of New York appreciates the opportunity to present comments on legislation covering Federal Youth Employment Programs, which is now being considered by the Subcommittee on Employment Opportunities of the House Education and Labor Committee. We commend Chairman Hawkins and the other members of the Subcommittee for their attention to the issue of jobs for needy young people and are hopeful that their efforts will lead to prompt Congressional action to deal more effectively with this critical problem.

For many years, UNH has addressed much attention to the problem of inadequate job opportunities for young people. When unemployment of young people surfaced in the years after World War II as a key issue in the nation's cities, UNH worked to build programs that became models for the Federal Government in establishing the Urban Youth Corps, the Neighborhood Youth Corps, and the Summer Youth Employment Program. In 1963, when Congress was drafting the Youth Employment Act, the Executive Director of UNH presented the legislators with a strong case for employment programs for needy youth, based upon our agency's long experience in working with unemployed young people in the low-income neighborhoods of New York City.

UNH does not have to outline for the Subcommittee the terrible dimensions of youth unemployment in the U.S. today. It is enough to say here that the thirty-six settlement houses and neighborhood centers which are members of UNH are located in communities which have the highest rates of youth unemployment in the country. The population served by UNH and its member agencies consists of low-income families and individuals, who are largely Black and Hispanic in origin. In attempting to meet the needs for employment and training of this population, we have sponsored programs for both young people and adults, which have been supported by CETA and other governmental funding as well as by private resources. Based on this wide experience with jobs programs and on our knowledge of the dire needs of the communities we serve, we have the following comments on the Youth Employment Act of 1979 (H.R. 4465) and two related bills (H.R. 4534 and H.R. 4536).

As stated by Chairman Hawkins in his introduction of H.R. 4465, the new initiatives are designed to implement the provisions of the Full Employment and Balanced Growth Act of 1978 (Humphrey-Hawkins Act), which called for national action to reach full employment for workers of all ages who are willing and able to work. The Humphrey-Hawkins Act states the basic goal of an unemployment rate of 4% in 1983 and the corollary goal of reducing the large gap between the unemployment levels of the adult and youthful population, which places the nation's young people seeking work at such a disadvantage. H.R. 4465 is a significant step towards implementing the goals of the Humphrey-Hawkins Act, but much more will have to be undertaken if the high rates of youth unemployment are to be brought down. In recognition of the true depths of the problem of youth unemployment, Congressman Weiss has introduced H.R. 4534, which establishes yearly goals in reducing the disproportionate jobless rate of young people. Three years after the enactment of H.R. 4534, the goal of jobs for all youths aged 16 to 24 is supposed to be realized. We commend Congressman Weiss for calling additional attention to the special hardships suffered by unemployed young people and agree that his proposal is an essential supplement to the Humphrey-Hawkins legislation. However, legislation prescribing national goals for reducing unemployment cannot stand alone and must be followed by implementing action by Congress. The goals cannot be implemented in today's economy without Congressional action which commits Federal resources to appropriate programs.

H.R. 4465, if enacted by Congress, will represent an increased commitment of Federal resources to youth employment programs. By increasing the numbers of youth served under the Youth Incentive Entitlement Program to 300,000 and to 400,000 under the Youth Employment and Training Program, the proposed bill will be making modest increases in these two programs. Currently, UNH is operating a YETP in New York City, and we would like to comment on the specific changes proposed for this program. We note that the income eligibility will be reduced from 85% to 70% of the BLS lower family income standard. We understand the concern of Congress to focus on the needs of the young people who are most severely deprived economically, but the lower cutoff will leave significant numbers of needy youth out to fend for themselves, and their continuing failure to find jobs will contribute to maintaining high unemployment rates for young people. In view of this, we are pleased to note that the bill proposes to earmark 20% of the funds for those youth who do not meet the criteria of eligibility but who face "other barriers to employment."

Another noteworthy change proposed for the Youth Employment and Training Program is the requirement for a "personalized employability plan" and an initial assessment of training and supportive services needed by each enrolled youth. The assessment is to be kept up to date throughout the course of the youth's term in the program and forms a part of the personalized employability plan. The plan will state the amount and kind of employment or training services needed by each participant and presumably will also have to be adjusted during the course of the youth's participation in the program. It has been the experience of our YETP staff that initial assessments and program plans for the participants have to be reworked as the young people mature and as their strengths and deficiencies become more clearly defined. While we agree that there should be every effort to make clear statements of the goals and the specific methods of reaching these goals for each participant, we want to emphasize the need to be flexible in using these statements. We are dealing with a population whose youth and inexperience in the world of work require that great caution be exercised before making firm decisions about their vocational plans. It is unfair to set them into vocational tracks before they are prepared to make informed decisions about such an important part of their lives.

Another significant initiative of H.R. 4465 is concerned with job placement for young people in the private sector. In line with the approach adopted by Congress last year in the 1978 CETA Amendments, H.R. 4465 proposes to reauthorize the Private Sector Initiative Program and mandates that it be tied more closely to the youth programs. UNH agrees with the current emphasis on placement in unsubsidized jobs in the private sector as the ultimate, if not immediate, goal for participants in the CETA programs. Four-fifths of all jobs in the U.S. economy are in the private sector. Ten years ago, private business was much more involved in employment programs for disadvantaged people. The original commitment to these programs made in the private sector in the 1960's was weakened because of several factors. First of all, the governmental manpower programs and their complicated procedures did not operate in a manner which encouraged or facilitated the involvement of the private sector. A second negative factor was the downturn in the U.S. economy, which began in 1974. Economic pressures made both private business and government agencies look at the employment programs in a different way. Faced with budgetary difficulties, local governments used CETA slots for their own purposes rather than channelling them into the private sector. Lastly, the matching of disadvantaged workers and private sector employers often left much to be desired. The employers did not have the requisite experience or understanding to make good use of the workers from these programs. For workers with special needs, individualized attention to their training or other needs is essential if their potential for good work is to be realized.

From the point of view of business concerns, hard pressed to obtain high worker productivity and steady profits from all their activities, participation in manpower programs which require extra services and training to realize the potential of the work force may appear to be a burdensome and unwise course. Reluctance to hire disadvantaged workers directly must be expected in most private concerns. To address this problem, a helpful mechanism would be an intermediary organization to assist the private concern in job placement, counseling, and other services for workers and in negotiations with funding agencies. Organizations with experience in training and employment programs for the disadvantaged can thus serve as connecting instruments between funding agencies, the target population of workerc, and private employers, who might otherwise be reluctant to become involved with CETA.

In developing the Private Sector Initiative last year, Congress called for the establishment of Private Industry Councils, which were to serve as the primary vehicle to assist local CETA sponsors in their programs to increase employment and training opportunities for disadvantaged persons in the private sector. As defined in the 1978 Law and the subsequent Regulations, the purpose of the PICs is "to increase the involvement of the business community, including small business, minority business enterprises, and labor organizations" in CETA programs. We must state here our concern that the PICs pay special attention to involving small business firms. Our experience with youth employment programs leaves no doubt that small businesses provide the best placements, and at times the only available placements, for disadvantaged young people seeking their first real job. Under the CETA legislation establishing the PICs, "small business" is defined as an "enterprise employing 500 or fewer employees." Our experience in the largest city in the United States is that small businesses with considerably fewer than 500 employees are the most willing and helpful in placing our young people. We would also like to point out that, in the nation as a whole, one-half of all jobs in the private sector are located in firms with 100 or fewer employees. This Subcommittee should carefully consider the need to scale down the definition of "small business." Very small businesses, located in or nearby the neighborhoods where disadvantaged young people live, are excellent locations for their first real work experience. To make the most effective use of the resources committed to employment and training programs for disadvantaged youth, Congress must have due concern for the real conditions present in local communities.

UNH believes that every possible encouragement should be given to small business firms to participate in the youth employment programs. With this in mind, we support the proposal introduced by Congressman Weiss to extend the Targeted Job Tax Credit Program to in-school youth (H.R. 4536). For young people who are in school, job sites in local neighborhoods are generally highly desirable.

In conclusion, we must call attention to the fact that Federal employment and training programs cannot by themselves solve the problem of high youth unemployment. As this distinguished Subcommittee is well aware, the condition of the U.S. economy will determine, for the most part, the number of job openings for those willing and able to work.

Other kinds of Federal action must be taken to deal with the state of the nation's economy. But the targeted employment and training programs which the House Subcommittee on Employment Opportunities is now considering are absolutely essential if the disproportionate rates of unemployment between young and older workers are to be evened out. To date, every increase in the general rate of unemployment in the U.S. has widened the gap between young and older workers. If national resources under the Youth Employment Act of 1979 can be applied effectively to dampening this trend, the mechanism of targeted employment and training programs will have served our country well.

Court Employment Project,
New York, N.Y., October 22, 1979.

Hon. Ted Weiss,
37 West 65 Street, New York, N.Y.

Dear Congressman: I serve on the Youth Council of the New York City Employment and Training Planning Council. As a result, I had the opportunity to review your proposed legislation, H.R. 4534 of the 96th Congress, 1st Session. I was unable to testify at the hearings, but I did want to express my concern about those young people who are left out of the legislation.

I am specifically referring to those who read below the fifth grade level. Local prime sponsors and their contracting agencies will not identify these young people as being particularly needy without some incentive from the federal government. I suggest that these persons be singled out as a priority. They are ineligible for most training programs, are suffering from the worst of society's ills, and most programs choose to forget them.

I have attached a number of my concerns and several recommendations. I would welcome the opportunity to pursue this with you or a member of your staff. Please contact me.

Very truly yours,

Rae Linefsky,
Executive Director.

Enclosure.

COURT EMPLOYMENT PROJECT, INC., TUTORING FOR NONREADERS

The population

CEP is a social service agency providing counseling, educational and vocational assistance, and referral services to persons involved in the criminal justice system in New York City. Twelve hundred persons a year are serviced by CEP on an ongoing basis, for an average of four months. A total of 3000 persons constitutes our total population; the additional clients are those for whom we provide information and referral services, mostly in the courts. Two years ago, CEP instituted a testing program to determine math and reading levels of clients coming into CEP. Seventy-five percent of the clients are tested at intake; of these, 20 percent function at less than a fifth grade reading level.

CEP is concerned with the high risk client. Its goal is to reach those residents of New York City who are out of reach of the established social service network in the city. Our population is predominantly young (52 percent are 16 and 17 year olds), Black and Hispanic (83 percent), economically and educationally disadvantaged, usually out of school, and unemployed or underemployed. Most have an open court case when coming into the program.

Although our client population is culled from the criminal justice system (CEP accepts referrals from any contact in the criminal justice system—judges, DAs, defense attorneys—at any point of criminal justice involvement, from pre-arrest to post-sentencing, short of incarceration), we believe that this population is representative of thousands of inner-city young people in the City of New York.

As is well-known, the unemployment rate among this population is staggering. For the particular population of non-readers, the basic problem is not unemployment itself—but unemployability.

The problem

The most glaring omission in employment and training programs is the need for stipended education for non-readers in conjunction with job training. State Adult Basic Education programs require classes of ten to fifteen pupils. Adult non-readers cannot learn in a program that is not highly individualized, and even such small classes as mandated by the ABE program in New York do not work for them.

COURT EMPLOYMENT PROJECT, INC., TRAINING FOR NONREADERS

The need is a compound one: the need for education and the need for money. Education must be stipended so that the pressures of providing for oneself and one's family does not interfere with the educational process. This population is often locked out of even entry-level positions, like food-store baggers; a messenger must be able to read an address. And constantly hanging over their heads is the fear that they will be found out—that eventually they will be humiliated by their inability to read.

Most regular training programs have implicit educational requirements. Minimum reading levels are required for clerking, etc. Training programs sometimes have provisions for GED preparation, but this is out of the reach of the non-reader. Training programs must be developed that see the upgrading of reading and math levels, short of attainment of a GED, as a positive movement. These programs must be geared to getting participants to a functional level. It's one thing not to know how to complete a job application properly. It's quite another not to know how to read it.

Constant failure in schools as well as in situations which others take for granted—reading labels in a supermarket, finding one's way on a subway map—is battering to the self-image of non-readers. A supportive training program which allows these people to learn will not only aid them in the concretes of improving employability, developing career plans, and making day-to-day existence that much easier, it will improve their self-image. And a better feeling of self-worth is a prerequisite for growth.

Contractors are reluctant to accept non-readers into their programs, even if the requirements don't automatically exclude them. Success for these people has a different shape, and it usually takes them too long to achieve the typical success as defined for most employment and training programs. Because contractors want to show success—in order to assure continued funding, among other reasons—they often exclude the non-reader; even though the non-reader may be "successful" in his/her own sphere, this is not a success that fits the usual definition.

Recommendations

In order to address the needs of this particular population, local prime sponsors should be allowed to reserve a percentage of slots for high risk participants, with the understanding that success for these participants will be different from success as usually defined for employment and training programs.

In addition, the prime sponsor should be allowed to set up a different kind of training program for non-readers. This training should incorporate more hours for highly individualized basic education, and a heavier emphasis on individual and group counseling to support the participant. The non-reader is the most fearful participants, and therefore the most hostile. Special support services would help to alleviate a situation which is even more stressful for the non-reader than for the person who can read.

Of all participants entering an employment and training program, the non-reader would probably be the one with the least exposure to work. Work experience would be necessary to bolster self-image, and placement must be made in an environment which would understand the special needs of the non-reader (e.g., settlement Houses). The work experience need not be in the area of work the person will eventually choose as a career. At this point, it would suffice to be an exposure to the world of work.

Once the non-reader has improved his/her skills to an acceptable level, s/he should be allowed to move into classroom training. As such, the program should not be of a definitive length. Keeping in mind that the lower the grade level, the longer it takes to show improvement, tenure in the employment and training program should be more individualized for these high risk participants. The sponsor should try to move them as quickly as possible into classroom training or unsubsidized employment, allowing others to fill the opening made by these "graduations," but should not put undue pressure on a participant already so handicapped to perform within a certain period of time.

Conclusion

That the criminal records of our clients get in the way of employment has long been the concern of CEP, but above and beyond that handicap is the inability to read. In an effort to approach that problem, we began a very small one-to-one tutoring program, employing ex-offenders as tutors under CETA Title VI. Although we have successfully helped many of our clients, this does not answer the need for legally obtained money and the overwhelming need for saleable skills. We search out every possibility in New York, but always run into the same roadblock—no one wants to deal with these grossly undereducated young people. Our criminal justice colleagues in New York City often request our assistance for their clients; we become the next in a line of agencies that cannot provide the services needed. And so the men and women who cannot read go from agency to agency registering for jobs that no one will give them.

YOUTH EMPLOYMENT ACT OF 1979

Part 3

SATURDAY, OCTOBER 20, 1979

House of Representatives,
Subcommittee on Employment Opportunities,
Committee on Education and Labor,
Philadelphia, Pa.

The subcommittee met, at 9 a.m., pursuant to call, in the multipurpose room, Campion Student Center, St. Joseph College, Hon. Augustus F. Hawkins (chairman of the subcommittee) presiding.

Members present: Representative Hawkins.

Also present: Representatives Michael Myers and William Gray.

Staff present: Susan Grayson, staff director; Carole Schanzer, clerk; and Hugh Duffy, assistant counsel to the full committee.

OPENING STATEMENT OF HON. AUGUSTUS F. HAWKINS

Mr. Hawkins. I am pleased to bring the subcommittee to Philadelphia today to learn first-hand of the city's youth unemployment problem and to obtain recommendations and suggestions which will help us deal with this intolerable situation.

Today's hearing marks the subcommittee's 10th day of consideration on current youth programs authorized under CETA as well as on new legislative initiatives. The bill, H.R. 4465, which I have proposed, would provide 1 million new employment and training opportunities for youth. In addition, the measure combines immediate remedies and long-term changes in the institutions and programs serving youth.

Before we proceed to hear the first panel of witnesses this morning, I would like to say that the subcommittee is in Philadelphia, at the urging of Congressman Gray, to bring this great range of issues before the people of Philadelphia, and to call attention to the work of the subcommittee. We are very pleased to be in Philadelphia, and happy to respond to Mr. Gray's invitation.

We are also pleased that our colleague, Mr. Myers, is in the hearing room today.

Before calling on the first panel, I would like to, at this time, yield to Congressman Gray, to make such comments as he so desires.

Mr. Gray. Thank you very much, Mr. Chairman.

I want to thank the chairman for coming to the city of Philadelphia with these hearings on this very important problem that affects the entire Nation, and specifically the city of Philadelphia—that question of youth unemployment.

Here in the city of Philadelphia, we have at least a 25-percent youth unemployment rate for the entire city, and in the minority community we are talking about at least 45.5-percent rate.

Certainly I do not want to take credit for this hearing completely, because it was the Youth Unemployment Coalition that came to me, Congressman Hawkins, and asked me to bring you to the city of Philadelphia to take testimony on what is happening in the employment legislation, and consideration of H.R. 4465.

I want to thank you, Mr. Chairman, for coming to the city of Philadelphia, and taking testimony.

Mr. **Hawkins**. Thank you, Congressman Gray.

Mr. Myers?

Mr. **Myers**. Mr. Chairman, I would just like to endorse what Congressman Gray has said. I certainly would want to thank you for the leadership that you have shown to provide the job opportunities for the millions of youngsters in this country, and particularly in this area. Certainly, in the 3 years that I have been in the Congress, your leadership in employment has been untiring.

I want to thank you for coming to our city.

Mr. **Hawkins**. Thank you.

The Chair would like to simply state that it was this subcommittee that recommended to the Congress the establishment of the CETA program. It was this subcommittee that 1½ years ago, did undertake some changes in an attempt to remove many restricting provisions to which we thoroughly objected.

It is also this subcommittee that reported the Youth Employment and Demonstration Act under which we have had 2 years of operation. We feel that we have had sufficient demonstration in this particular field, and it is the subcommittee's intent to report H.R. 4465 which is the subject matter of today's hearings, in the near future.

In the meantime, the Vice President's Committee on Youth Employment will render its recommendations in December, and it is the intent of the committee to incorporate the best provisions of both proposals into H.R. 4465. We believe that the problem is of such urgency and magnitude that it demands immediate action, and I can certainly promise to Congressman Gray, and also to Congressman Myers, that it is the intent of the committee to move before next spring, and to have this program in operation before next summer.

We think that we are understating the need in terms of 1 million jobs for youth. We are confident that the economic trends will vindicate the action of the committee, and the intent of the committee to report the bill at the earliest time.

At this time, the Chair is pleased to recognize the first witnesses on the public sector panel. We will first call on Hon. George Schwartz, president of the city council of Philadelphia.

Councilman Schwartz, we are delighted to have you with us today, and we know that because of the position that you occupy in the city of Philadelphia, that your testimony will be helpful, and valuable to the committee. We are, therefore, pleased to welcome you.

STATEMENT OF GEORGE SCHWARTZ, PRESIDENT, CITY COUNCIL OF PHILADELPHIA

Mr. SCHWARTZ. Thank you, Mr. Chairman.

I am very pleased to have the opportunity of appearing before this subcommittee. I am pleased that the hearing takes place in my district. I am pleased that two of the members of the subcommittee, sitting with you, are Congressmen that represent parts of my district.

I have a prepared statement, which I have given the staff 35 copies as requested.

I am totally in favor of what H.R. 4465 is to accomplish, and believe that it will be extremely beneficial for cities like Philadelphia, which has an extremely high percentage of unemployed youth.

The bill covers, in my estimation, a variety of programs, which will have a beneficial effect on youth. Specifically I refer to the following amendments contained in the bill:

The amendment to Title IV of CETA, Part A, to provide jobs and training to economically disadvantaged youth who stay in high school, or return to high school, or equivalency programs.

Part B, providing opportunities for youth living in high unemployment areas to learn at school centers.

Part D, to provide employment through Federal agencies for disadvantaged youth.

The amendment to Title VII of CETA provides for grants to private industry to develop specific employment and training for disadvantaged youth.

The amendment to Title VI of the Social Security Act authorizes a special fund to provide work and training to welfare parents under 22 years of age, who volunteer to participate.

The act sets up a Federal agency, a coordinating committee for youth.

The amendment to employment service, to set up the youth employment component, to disseminate information on youth job opportunities.

The amendment to the National Apprenticeship Act, to provide for more apprenticeship in designated shortage occupations, also requiring Federal contractors to employ apprentices, and a ratio of apprentices to craft persons, and establish apprenticeships in Federal agencies.

I would like to address myself to the fact that in the city of Philadelphia there has been formed an organization known as Philadelphia's Private Industry Council, better known as PIC. The council's primary role will be to effect a city-wide manpower policy with major participation by business and industry, in collaboration with other economic development activities.

The thrust of the council will be to develop viable manpower programs within the private sector, which will meet the needs of the employees and relate to the needs of our economy.

In line with recent Federal legislation, the city'a area manpower planning council requested that the private industry council be established under the direction of the Center for Philadelphia Area Development, an affiliate of the Greater Chamber of Commerce in the city of Philadelphia. It will be composed primarily of business and industry representatives from large, small and minority firms, and the labor community.

These members will be complemented with representatives from education, community training groups, and economic development agencies. Financial and staff support, potentially, can be given to an endless number of activities. The list includes:

a. Coordinating educational programs with on-the-job-training;
b. Acting as a resource center and clearinghouse for disseminating information to private employers;
c. Developing methods of collecting advance information on new and planned economic development activities;
d. Coordinating programs, which perform job development, placement, and employment and training activities;
e. Minimizing bureaucratic red tape for employers and unions, so their participation can be increased;
f. Developing apprenticeship programs;
g. Conducting test youth private sector programs;
h. Increasing, upgrading, and retraining opportunities for the currently employed;
i. Foster better labor-management relations through improving the quality of training and the work place.

I have been working, in my position as president of the city council with a number of youth employment organizations, including the Youth Employment Coalition, that Reverend Gray alluded to, which is located in my councilmanic district. We have succeeded in having a preliminary meeting in my office at city hall between the Private Industry Council and the Youth Employment Coalition.

This meeting took place on July 27, 1979, in the nature of a preliminary summit-type conference. Understandings were reached at that time which will lead to further meetings between PIC and various citizens groups working directly with youth, including the aforesaid Youth Employment Coalition.

For the benefit of the committee, you will find attached to my written statement the membership of the Private Industrial Council, referred to previously in my testimony.

I would like to advise the committee that unemployment is one of the major problems affecting this country, and more particularly cities and urban centers such as Philadelphia, and even more important is the fact that segment of the employed that needs the most help from the Federal Government is youth unemployment, which I believe at the present stands at the highest level in this country's history.

I would like to take a moment, if the committee will permit, to give you my own personal experience.

First of all, as a legislator for the last 25 years, both as a member of the legislature of the Commonwealth of Pennsylvania, as well as a members of the local governing body, and my own personal reflection.

I became of college age in 1932, known as the time of the big depression. At that time, there were youth programs. There were also Federal programs. If it were not for WPA, the Works Progress Administration, I never would have gone to college. If it was not for NYA, the National Youth Administration, I never would have gone to college.

I went to Temple University, a school similar to St. Joseph's. At that time, the tuition was $200 a year. I received employment through the National Youth Administration at Temple University, at the great stipend of $40 per month, but that $40 per month is the equivalent of $400 to $500 per month today.

I did all kinds of things, marked papers, scrubbed ceilings, and I had to borrow $25 from an aunt in New York in order to pay my downpayment on the $200 per year tuition. I then was able to get a job with the Works Progress Administration.

I bring this out because I think some of the programs, unfortunately, do not give enough leeway. We need to consider continuing employment. Some of the specialized programs that have termination dates concern me. Many people will say, "Well, what you are doing is bringing about a boondoggle. What you are doing is making work." There are some youth that you cannot be put into specialized programs, that you just cannot train for the future. Let's talk about all of the programs.

Today we have a different situation than we had in 1932 to 1936, during that Great Depression. Today, what you have is high unemployment, but you also have inflation. Back in 1932, you had no inflation. A dollar purchased what you were receiving. Eventually the economy straightened itself out.

The Congress has to balance the question of whether you would rather provide funds, or whether you would rather see these youngsters not have an opportunity of working, and then you have the crime, and then you have the expense of imprisonment, of probation, of all these other courses that are thrust upon local, State and Federal Governments.

I don't worry too much about the fact that people may accuse the Federal Government of some waste of funds, because it is a bigger waste if you don't provide employment for these youth, and they have nothing to do, but get into trouble. So that some phase of this program, besides training, besides all the other things that you are doing here, which are excellent, there should be a type of total, permanent funding for this very high unemployed youth, especially minority youth, without too many strings attached, so that they can go to work, without too many questions being asked. This is what I am suggesting to this committee.

Hopefully, the economy will straighten itself out, and I believe it will. It did after the Great Depression of 1932. From my own experience, I am suggesting that the committee very seriously consider a large sum of funding for employment, be it public works, or whatever it be. This was extremely successful.

I can take the committee into parts of this city and show them some of these public improvements that were made, and that still exist today. At that time, a laborer was getting $60 per month from WPA, and a skilled mechanic was getting $85 per month from WPA, and it was enough. They did work, and that work still exists. The city of Philadelphia got the benefit of it, its citizens did. Those people were earning enough to keep their families, and also to keep their dignity.

I don't worry too much about what the newspapers or the media may say, that there is waste in that program, or waste in this program. If you balance the equities here between providing money, and it has got to come from the Federal Government—it cannot come from the city, and it cannot come from the commonwealth because most of the taxes in this country, 87 percent of all taxes go to the Federal Government.

This program is excellent, and should be continued. This bill should be passed by the Congress, but I urge you to have an unfettered sum of money, and some type of public work progress for the unemployed youth, especially, the unemployed minorities.

Again, I would like to thank the committee, and the chairman for this opportunity to appear here.

Thank you very much.

Mr. **Hawkins**. Thank you, councilman. Perhaps you will remain at the table as we hear from the other two witnesses, and then we will have questioning of the three of you.

Is Hon. David Richardson in the audience?

If not, the next scheduled witness is Mr. Hugh Ferguson, the executive director of the Area Manpower Planning Council.

Mr. Ferguson, we are delighted to welcome you. We know of your great interest in this subject, and look forward to your testimony.

May I inform you, as well as the other witnesses, that the prepared statements in their entirety will be entered in the record, and we would appreciate the witnesses summarizing those statements, to allow time for questioning.

The Chair would also like to announce that any witnesses not heard from today will also have the opportunity of presenting a prepared statement to the committee, and that statement will be made a part of the record, the same as the other statements.

Again, Mr. Ferguson, we are delighted to have you as our next witness, and you may proceed.

STATEMENT OF HUGH FERGUSON, EXECUTIVE DIRECTOR, AREA MANPOWER PLANNING COUNCIL, CITY OF PHILADELPHIA

Mr. **Ferguson**. Mr. Chairman, I am sure you have heard Secretary Marshall say many times that, with his background as a professor, he is programed for 50 minutes. Let me assure you that I have never been a professor, so I don't intend to take that much time.

You mentioned my being the executive director of the Area Manpower Planning Council of the city of Philadelphia, and to explain to some who might wonder just what that entails, I am actually director of the administrative arm of the CETA program in the city.

Let me state also what I am not, or more specifically what I do not claim to be, and that is an expert in the field of youth unemployment or employment. I claim no particular ability to walk on water, and I certainly do not pretend to have the cure-all for the problem of youth unemployment.

So, I suppose the logical question, then, might be, what am I doing here? Why am I taking up the committee's valuable time, when you might well be listening to an expert who could give you all the answers, and we could get to work on it, and the matter would be solved once and for all.

I don't think that it is quite that easy. As a matter of fact, I content there is no such thing as an expert in matters of youth unemployment, or any kind of unemployment. Let me say parenthetically that my definition of an expert is someone who can tell you today why what he did not do last year would not have worked anyhow.

To come back to why I am here. Frankly, my purpose is two-pronged, one to offer some observations culled from many years of effort in the employment and training field, and if you want to know how many years, they called it the manpower field when I started, and since then we have had ERA, equal rights, and so on.

Second, and perhaps more importantly, I would like to offer a plea for something in which I have an extremely strong belief.

I frankly have no idea how many different programs there are at the moment, but I would say that 20 to 25 is a reasonable number, if you count all the various demonstration things, and everything else. I do know that there are many millions of dollars being spent all on this central theme of alleviating youth unemployment.

I also know that not only all these programs have different approaches to the solution of the problem, but in most cases there are different eligibility requirements, different regulations, different methods of reporting, different dates for the reports, and so on.

In the past 2 to 3 weeks, I have received several new proposals for youth employment, which would either add to the list that I mentioned a moment ago, or replace some of those which seemingly have outworn their usefulness. This reminds me of something that has always disturbed me greatly.

In spite of the mountains of paperwork that are generated in the report that I mentioned a moment go, there seems to be very little, and possibly no knowledge gleaned forth. For example, we have been working, as the chairman mentioned, the Youth Employment and Demonstration Projects Act, commonly known as the YDPA, and it is one that is just about to run its course.

I, for one as a taxpayer, and I am sure all of you would like to ask, what have we found out from YDPA that is going to be useful in planning future programs, and in spending future dollars?

The Chairman, Congressman Hawkins, a man with whom I have had conversations and correspondence in a business sense for many years, and a man for whom I have a profound respect, has recently introduced H.R. 4465, the Youth Employment Act of 1979. Now it is obvious to anyone with even a limited understanding of the problems of employment and training that the Congressman and his staff have given much thought to youth unemployment, and those of us in the field who must make programs work, are especially grateful for the cross-reference to other titles of the Comprehensive Employment and Training Act, in particular the interrelation with titles III, IV, V, VI, and VII.

However, in the same timeframe that I mentioned above, I also received something called the Youth Career Opportunity Act, which I am told is the administration's bill. Also, I received the youth policy issues paper prepared in the office of DOL's assistant secretary for planning, evaluation, and research. Also there is a youth legislation request prepared by the American Vocational Education Association. This is without mentioning some of the obvious smoke signals of the intent of presenting youth legislation on the Senate side of Capitol Hill.

In all of this one thing disturbs me, and that is, I find very little reference, I can almost say no reference to what, lacking a better term, I would like to all knowledge development. In other words, nowhere does it say, let us do this, and find out this once and for all.

Unless knowledge development, or research, if you will, is written into any bill, also into the regulations, and unless administrative allowances are made for this effort, gentlemen, we will continue to spend the dollars, and we will continue the cluck sympathetically for years to come over the high, the huge unemployment rate among youth, and we will not know any more about what to do about it than we know now.

Several pages ago, I mentioned something about which I have a strong belief. If I were truthful when I said that, I might have amended to two things I feel strongly about. Please, if we are seeking answers to youth unemployment, let us take the 20 to 25 youth programs extent and merge them somehow under one bill, with one set of eligibility, one set of regulations, one requirement for knowledgeable research report, and then get about the business of putting as many young people to work as possible.

As to who gets the credit for that, I would, for one, lead a movement where we could call such a bill the Jimmy Carter-Walter Mondale, and then list the entire membership of the Congress on the front page of the thing, and make sure everybody gets the credit. I don't think that that is important. I think that the important item is to put as many young people to work as possible.

Thank you, gentlemen, for your time this morning.

Mr. HAWKINS. Thank you, Mr. Ferguson.

Would you remain at the witness table, please?

Mr. FERGUSON. Yes.

Mr. HAWKINS. I understand that Hon. David Richardson is not present. So we will go on to the questioning of the witnesses. Mr. Gray.

Mr. GRAY. Thank you, Mr. Chairman.

I would like to address myself to the president of the city council, Hon. George Schwartz.

One of the things that you have brought out is the fact that much of the legislation that we have at the Federal level dealing with youth employment has a termination date, such as the title VI program. Of course, here in the city of Philadelphia, that caused some problems in terms of the fact that recently there were over 5,000 employees that had to be laid off. As a result of a waiver from the Department of Labor, approximately 3,300 of those apparently have gotten a phased out situation.

I would imagine that your comment is that, instead of having the phasing out and termination date in 12 months, or 18 months, you would like to see a continuing kind of funding mechanism.

Does such a process provide stimulus for persons on such programs to get involved in the mainstream of America's economic life; or does that, in essence, start being a financial support system for a city, and thus does not really train young people for longer-term employment in the private sector.

Could you comment on that, this is one of the arguments that we constantly hear in Washington.

Mr. **Schwartz**. Reverend, I think that we need both. I think that we need a type of program that will subsist and exist until the current economic situation turns around. Nobody can guarantee how quickly that is going to happen. It did happen, as I used the example of the Great Depression back in 1932.

I am afraid that any program that is temporary, under the present economic conditions, will not solve the problems of unemployment, especially youth unemployment, if it has a termination date. I am a taxpayer, and a large taxpayer, and it does not concern me that there may be some waste, and there may be some criticism.

I say that we have to do both, we have to have all of these innovative programs that possibly will train youth for future employment, so that they can go into the private sector after they receive the training. But there must be some provision, even if it does not train youth for the future, that it gives them something to do, and keeps them employed, and keeps them off the streets, and keeps them out of trouble. I say that it is a good investment for the Federal Government.

It does not disturb me that you have "rip-offs" sometimes in some of these programs. It is going to happen in every phase of life, Government and elsewhere.

I would love to see these programs do what they are intended to do, to eventually train these youngsters for permanent type jobs, and get them off the Federal largesse of these various acts, and the funding for these various acts, but it just does not work out that way. They are put in a worse position when there is a deadline put on this title, or that title, and it is in for 18 months, and then it is cut off completely. Then, that youngster is right back where he started. Those that did not succeed in getting the benefits of the program that they were in at that particular time.

The city is going to be in terrible trouble with those programs being cut, and it is already, with some of the programs being cut. Some of the programs are being cut in December, and then a final termination, I believe, next April.

Mr. **Gray**. Do you see, Mr. Schwartz, any new city initiatives in 1980 to target toward the youth unemployment problem here locally? Besides those Federal initiatives, do you see any new programs, or additional support from local government for expansion of services to unemployed youth?

Mr. **Schwartz**. Well, I mentioned the Private Industry Council, and I mentioned the attempt that I made to put the two of them together, because one of the aims of this Private Industry Council is apprentice programs, is to make funding and know-how available, to try to get the private sector to do, to a large extent, what CETA has done with the Government.

I think that that is going to be helpful, but I don't think that it is going to be helpful on a large enough scale. The city itself, and Philadelphia is no different than Newark, Detroit, or any of the other large cities, simply does not have the tax base and simply does not have the kind of funding that is needed to put youth to work.

Mr. **Gray**. Does the city support financially the Private Industry Council?

Mr. **Schwartz**. Yes.

Mr. **Gray**. By what amount of money, do you have any idea?

Mr. **Schwartz**. I don't believe there is any funding that is coming directly from the city of Philadelphia. It is a chamber of commerce operation. It is the private sector. They are a private corporation. They are presently in the process of setting up staff, and getting themselves organized, and getting themselves in existence.

If you would look at the exhibit, and look at the type of individuals that are involved as directors of that corporation, you will see that it transcends the entire structure of the city of Philadelphia, the private sector.

Mr. **Gray**. I am aware of the individuals, and I appreciate the list that you have included here on the Private Industry Council.

So, therefore, at this juncture, you do not see any new initiatives that come out of general revenues of the city for youth.

Mr. **Schwartz**. Not anything that is going to be meaningful.

Mr. **Gray**. One question for Mr. Ferguson, and then I am through.

Mr. Ferguson, would you comment, based on your experience, on the question of termination dates raised by the president of the City Council—that with such terminations, the programs really do not deal with the problem. Has that been your experience?

Mr. **Ferguson**. I think that the problem is very possibly twofold. Councilman Schwartz mentioned that this dropping people out on the unemployment rolls was sort of a heartless operation, and the inference was made, at least, that we had failed in that we had not provided any training.

On the others side of the coin, if you go back as far as 1971 and the Emergency Employment Act, and through the Comprehensive Employment and Training Act, which was passed, I believe in December 1973, in each case the requirement was for entry level public service employment positions.

I will grant you that some of the cities around the country abused that. One city, which shall be nameless, hired lawyers and paid them $25,000 a year, $10,000 of which was CETA money.

The city of Philadelphia, for the most part, hired entry-level workers. When you start talking about entry level workers, you are talking about such things as sanitation workers, for example. How much training can you give a sanitation worker?

Over and above that, once he is terminated with the city, we are the only people in the city who are in the business of picking up trash. So how do we find him a job, even assuming that we trained him in how to pick up that trash.

If you talk about some other positions, such as clerk typists, clerical people, messengers, and things like that, I think you will find that in the period from October 1 through September 30 next year, we are going to have an extremely high placement rate in the private sector. Unfortunately, because of the way the legislation reads now, we are going to be unable to replace those people because there is no way that I can get replacements, with the public service employment average of $7,800 a year, given the salary structure in the city of Philadelphia, which is a contractual thing with the AFSME level.

I hope that I have answered your question, sir.

Mr. **GRAY**. Yes, thank you very much.

Thank you, Mr. Chairman.

Mr. **HAWKINS**. Mr. Myers.

Mr. **MYERS**. Thank you, Mr. Chairman.

Mr. Ferguson, as the executive director of the Area Manpower Planning Council, what mechanisms do you have in place now, or would you be developing, should this bill become law with regard to the youth that would be trained, and hopefully transitioned into the private sector?

What mechanisms do you have, other than the Private Industry Council that contacts you and says: "We need 50 youth that are trained in this area."

What are your plans on that, what mechanisms do you have in effect, or would you be developing?

Mr. **FERGUSON**. Not to give you a smart answer, Congressman, but I cannot give you any concrete examples until and unless I see the regulations put out by the Department of Labor, under which I would operate this bill or any other youth bill that came along.

We do have a private sector job development unit. It is not restricted to youth. It is not restricted to ethnic groups. It is not restricted to age on the other end. I would say that we have some people that I would say are informally experts, and one particular job developer might have contacts which applied to youth, and one particular job developer might have contacts which applied to older workers, people over 45, and so on.

Incidentally, one of the saddest things in the world is to see someone come into your office, and say that he has worked for 22 or 23 years for a particular company, and has an excellent work record. His only sin is that the company either moved out to town, or went out of business. Believe me, in today's market, with a 9.2-percent unemployment rate in the city of Philadelphia, that man or woman is going to have a very difficult time finding employment.

We went through this with the Retail Clerks Union, when the Litt Brothers store closed up. We went through it earlier than that with Botany. I talked with a man who had worked for Botany for 43 years, and he was a shoulder presser. The only thing he knew was how to press shoulders, and that is the only thing he really wanted to do. I had to convince him that there was not really too much of a market for shoulder pressers now that Botany had gone out of business.

I don't mean to be evasive, but whatever comes of the bill, assuming that it is passed, and the regulations come down, we will live with it. We will do our darnedest to make it work. I don't think there is anyone more concerned about unemployment in the city of Philadelphia than I am.

Incidentally, one thing that worries me, too many youth unemployment bills, Mr. Chairman, I think start out at 14 and go up to possibly 21—14, in my mind, is an age when a youngster should be in school, and unless any service that he gets out of this bill is conditioned on his staying in school, I think that you are doing him a disservice.

We have enough functional illiterates coming out of the school system today, without encouraging a 14 year old to say, "Let me get out of here, and get into this thing."

Furthermore, if you start at 16, which is, I believe, the working age in the State of Pennsylvania, eliminating the 14 and 15 year olds, and Mr. Barner of the school district is here, and he can address this much better than I, I think that you will have more money to spend, and possibly we can do a better job.

Mr. MYERS. Thank you, Mr. Ferguson.

Mr. Chairman, I have no further questions.

Mr. HAWKINS. Mr. Ferguson, in relationship to the last statement that you made with respect to the age provision in these proposals, I thought that earlier you had said something about the merging of programs, and there is a great variety of them, and that all that was needed was a youth program, funding, and then let the local people or someone at the administrative level handle the distribution of money within the context of the youth program.

Your last statement seems to suggest that perhaps that would not exactly work, inasmuch as when we speak of youth, we are speaking of all age groups from 14 to 25, as a matter of fact. There are some who are in family situations that have dependents themselves, when we speak of the older ones.

You indicated something about the 14 year olds. There, of course, we have reference merely, most of the time, to the summer programs, when you have the out-of-school youth, which makes another distinction between an out-of-school youth and a school-age youth.

So, then, it would seem to me, since you have got to have a certain amount of variety to reach the various groups, out-of-school, in-school, the earlier teenage, and then that age group where you are getting into family situations, where the youth we may be speaking of actually have dependents of their own, and so forth.

It is this type of thing that has led to the very variety that you seem to think should not be fragmented into a number of proposals. It would seem to me that what we would more or less be talking about would be coordination, rather than doing away with separate categories. Would you agree or disagree?

Mr. FERGUSON. I would hope, primarily, for a uniform set of eligibility criteria.

I realize that you were saying in a very polite way, Mr. Chairman, that I contradicted myself. But as a practical matter, we have found even in the summer program that you speak of, and certainly in the in-school throughout the year part-time work sort of thing, that there is an antipathy on the part of employers, especially in the private sector, to taking on the 14 and 15 year olds because they are not as responsible as the older ones. They are inclined to be flighty. They are inclined not to have good work habits, and so on.

I am not saying that we should throw out the 14 year olds entirely, but I think that it could well be limited to the people who are in school, and the people who are working on summer programs.

Mr. **Hawkins**. I have observed that many of the problems with respect to youth begin at a much earlier age. We are finding now that criminal offenses are being committed by 12 and 13 year olds to a greater extent then ever before. We are finding in many areas of the country, in Los Angeles in particular, and even elsewhere, that alcoholism, and certainly drug addiction are being practiced to a large extent by 12 and 13 year olds.

I am not suggesting that we should assume that private industry is going to be willing to take this age group. We know the problems there.

Mr. **Ferguson**. Especially in view of the fact that as of January 1, they will be required to pay them $3.10 per hour.

Mr. **Hawkins**. There are some activities, it seems to me, that could be sponsored in the youth programs that would reach this age group, certainly the 14 and 15 year olds. I am not suggesting that we need to get below that, although I think we have ignored the earlier ages.

Certainly, when these young people are out of school in the summertime, they create just as much hell as an 18 or 19 year old. Even from a negative point of view, and I am not suggesting that is the best way to look at this problem, but certainly we need to involve them in some type of activity when they are out of school, that is meaningful and constructive. It seems to me that since we are going to be faced with the problem, we might as well do something about it.

Mr. **Ferguson**. If it is possible, to capsulize my thoughts on what is needed for youth, it would be two words—motivation is the first one, and information, the second one.

First you have to motivate the youth to want something. They you have to inform him as to what is available and convince him of what is best for him. I don't mean that you are going to impose your will on them, or anything of the sort.

A case in point, and I am sure that Congressman Gray, or Congressman Myers can tell you, we could drive to a given corner in a relatively poor section of Philadelphia, and we are going to find anywhere from 5 to 15 young people there.

We offer them skills training, and the first question is: "How much am I going to make, and what is going to happen?"

You tell them that if they go through training for 6 months, you are going to pay them a stipend, and then you get them a job. The next question is, "How much will I make." You say: "You will probably start at $4 or $4.50 an hour." Invariably the answer is, "Don't jive me. All that work, and I am going to get $4.50 an hour."

Their hero is the man who drives up in the El Dorado Cadillac, which he has gotten selling dope or pimping, or possibly a combination of both. So this is where the motivational factor comes in. Then, get them into something that will make them a useful citizen of Philadelphia and the country.

Mr. **Hawkins**. I am not certain that I have disagreed with you. I simply wanted to clarify, at least, the reasoning of the proponents of the bill H. R. 4465 in terms of age groups, and to indicate that it is the considered opinion that we need to have programs that stretch across these years, and to target the programs, to some extent, based on age. Within that broader limit, I can certainly see that the views expressed by you can be accommodated.

Mr. **FERGUSON**. Let me underline, again, Congressman, if I may, that the thing that struck me most in reading your bill was the comingling of titles, which I think is extremely important. There is no way that you can make some of that language strong enough for any money, especially the one about the BAT coordination and so on.

Getting a youngster into an apprenticeship program is extremely important, but today it is extremely difficult.

Mr. **HAWKINS**. I just wanted to underscore the idea of the subcommittee, and that is, we may have some minor differences on provisions of what needs to be done, but the subcommittee feels that in the last 2 years we have had enough demonstrations. We don't need any more demonstration. We feel that before next summer, we need a minimum of one million jobs, and I was just using that figure as a limit, and all of us had better begin to concentrate on that.

The sentiment now is that the local people want us to cut back on everything, cut taxes, balance the budget, cut back on these programs, too many social programs, and this is what we hear. We hear from the media. We hear that from local people. We hear that from taxpayers. We don't hear from those individuals who expressed the views today of what this really means in terms of human values.

I wanted to impress on you that these hearings would be wasted if we listened to all of you tell us how valuable these programs are, and then when we are facing some of our colleagues in the Congress, we don't hear from the local people, such as we have had in front of us today. It is not an admonition. It is simply a suggestion.

Mr. **SCHWARTZ**. All I can say, Mr. Chairman, is that whenever I have been asked, or invited, I have appeared before various congressional committees. I speak from experience, my own experience, as I put on the record. That is what I think we need.

I don't worry about the waste. The Federal Government has got all kinds of money. I don't care about the deficit. It is more important to have these youngsters off the street. Again, I have to repeat, welfare is more expensive, prison is more expensive, crime is more expensive, than providing work.

Mr. **HAWKINS**. Thank you.

I wish to thank both of you on this first panel. You have been most helpful to us.

Mr. **SCHWARTZ**. Thank you.

Mr. **FERGUSON**. Thank you very much.

Mr. **HAWKINS**. The second panel is the private sector panel, and may I ask these individuals, as their names are called, to come to the witness table.

Mr. Richard Doran, Greater Philadelphia Partnership; Dr. George Richmond, executive director, Private Industry Council, Philadelphia; Mr. Graham Finney, president, Corporation for Public-Private Ventures, Philadelphia; Rev. Thomas Ritter, OIC's of America; and Mr. John Bowser, Philadelphia Urban Coalition.

All right, Mr. Doran, I assume is not in the audience.

Mr. **Chaka Fattah.** Mr. Doran asked me to give you his testimony.

Mr. **Hawkins.** You are?

Mr. **Chaka Fattah.** I am Mr. Fattah, and he asked me to give his testimony.

Mr. **Hawkins.** Mr. Fattah, since you are representing Mr. Doran, let us call on you first.

May I say that the statements in their entirety will be entered into the record. I think that it may be more valuable if you summarize those statements, and then allow time for questioning.

STATEMENT OF RICHARD DORAN, GREATER PHILADELPHIA PARTNERSHIP, PRESENTED BY CHAKA FATTAH

Mr. **Chaka Fattah.** Mr. Chairman, Congressman Gray, Congressman Myers, I am going to submit Mr. Doran's full testimony for the record, but in my position as a policy assistant at the Greater Philadelphia Partnership, I am going to give a few comments to emphasize some of his stronger feelings.

He supports entirely the bill in question, the Youth Employment Act of 1979, especially title I, which points out the requirement for personalized employability development plans for each youth, is something that is well received in the private sector where we can begin, at an early point in a youth's educational and vocational career, to shape and mold him for jobs for the future.

He points out also, when we talk about relationships between Federal agencies in regard to youth employment under title IV, that here in Philadelphia, since we are a Federal regional city, and we have a lot of Federal agencies, that that kind of linkage, if we can develop it, and if we could spell out more in the legislation what might that kind of connection be. That should be very helpful.

We have 87 Federal agencies in the city, and if they took a little more active role in trying to do something about the youth unemployment problem, that would be go a long way toward solving some of the problems.

In title V, where you talk about job search workshops that would be developed in school, and would be helping to teach young people about what the job market and labor conditions are, and giving them some guidance as to what kind of jobs would be available in the future, so that we stop training young people for jobs that are in the 1970's, but that we start training them for the jobs that will be available in the 1980's.

In brief, and in conclusion, just to commend you for coming here, and bringing the congressional team here, and I hope in shaping better legislation so that we can attack the problem of youth unemployment.

Thank you.

Mr. **Hawkins.** Thank you, Mr. Fattah.

Next we will hear from Dr. George Richmond, executive director, Private Industry Council.

[Prepared statement of Richard A Doran follows:]

Prepared Statement of Richard A. Doran, Managing Partner, Greater Philadelphia Partnership

Mr. Chairman, I want to compliment you and Congressman Gray for bringing these hearings to Philadelphia in an attempt to shape better federal legislation for dealing with youth employment problems. Philadephia—which may have the highest percentage of minority youth unemployment in the nation—and the highest percentage of youth unemployment generally—desperately needs whatever additional help you can give.

The Greater Philadelphia Partnership is a non-profit corporation composed of leading members of the city's corporate and community leadership. It is responsible for the development of the Philadelphia Mortgage Plan, the Philadelphia Insurance Plan, new strategies for economic development in this city and a plan to develop the city's international potential.

We are delighted that Congressman Gray, despite his busy new schedule in the United States Congress, has remained on our board and continues to serve as the Chairman of our Inner City Committee.

Specifically, on the piece of legislation before you, we would make the following observations:

In Title I, the requirement of personalized employability development plans is an excellent innovation and we suggest that it should be started as early as possible in a young person's career. If the average age of plan development is in the seventeen and older category, which appears likely, we would urge that it be targeted to the age of fifteen. You know full well that the problems begin in early youth and the earlier they are dealt with, the better.

In Title II, we strongly endorse the idea of demonstration grants to private employers to hire disadvantaged youth on special employment projects of benefit to the community but would suggest that you seriously consider doubling the amount to be made available to the level of $100 million. Again, we think that experience proves that the more community involvement, the better the chance of success.

Here in Philadelphia, the Federal Regional City, we are especially interested in the development of linkages among federal agencies involved in youth employment, education and training, as embodied in Title IV. We think there is a tremendous potential here to put the federal agencies to work on the youth employment problem in a more direct and concrete way. This title should spell out more specifically just what those linkages must be so that federal agencies can more creatively take part in the process.

We are especially pleased to note in Title V the inclusion of job search workshops through the Employment Service with linkages into the school systems. These linkages must take special care to include teachers and counselors directly in the process so that we can begin to train people for the jobs that will be available and stop training them for the jobs that are disappearing.

Aside from these specific recommendations about the bill itself, we would stress most strongly the need to match training to job availability. I need go no farther than yesterday's Washington Post (attached) in which William Raspberry reports on a poll of businesses who were having trouble finding qualified employees.

That survey noted that, next to crime, the key reasons for business relocations were the unavailability of skilled workers and the low education level of the labor poll. And that gap can only be remedied, in our judgment, by a specific program to update and make relevant the traditional vocational education programs in our school systems.

We must begin to focus the vast majority of our energy and financial resources into shaping training programs which conform to the present and future job markets. The data on the eighties is coming out now. But the US News and World Report and the New York Times have recently provided extensive analyses of the future job market.

Let's take those lists, and the listings in each region of the country and demand that our education process match the job market. That is the single most important thing we can do to enhance urban economic development and provide jobs for the young people who will be coming out of our school systems in the next decade.

To promote this end, we are involved specifically in the following efforts:

An examination of programs already being conducted in Philadelphia whose goal is to match housing rehabilitation and community development with youth employment. Small, innovative programs are already being conducted in the city and we are exploring the possibility of expanding these efforts into an areawide community development corporation, with private sector corporate leadership involvement, particularly in North Philadelphia. I might add that Congressman Gray himself is providing the leadership on this project.

A series of dialogues with neighborhood groups in Philadelphia to determine how the linkages can be established between the needs of those neighborhoods and the new businesses we hope to bring to Philadelphia through our international city project. This dialogue will culminate on December 1st in a corporate community conference at which the economic planners will describe for the neighborhood leadership what the economy will look like in the next decade and the neighborhood leaders will tell the corporate officials what they see as their needs in the same period of time.

The introduction to Philadelphia of the programs of the City Venture Corporation of Minneapolis, an offshoot of the highly innovative inner city private investments of Control Data Corporation. We expect to foster here the development of their Fair Break, Advanced Career and Plato Educational Programs in a community setting in West Philadelphia.

In short, Mr. Chairman, we are convinced that the best avenue for jobs is in the private sector. To that end, we strongly encourage and will participate in, efforts to enhance the strength and position of Private Industry Councils; programs to improve in school skill training and efforts to encourage private industry to open job slots for unemployed young people. We are seeing some success in each of these priorities and your strong leadership on the national level can only help us to succeed.

[From the Washington Post Oct. 19, 1979]

Training for the Jobs That Are There

(By William Raspberry)

A 10-city poll of businesses, taken early this year, found that 57 percent of them were having trouble finding qualified employees.

The same survey revealed that, next to concerns about crime, the key reasons for business relocations were the unavailability of skilled workers and the low education level of the labor pool.

Read one way, the survey is an indictment of big-city school systems. Read another way, it seems to suggest that these schools have the opportunity, by introducing solid vocational courses, to enhance the employability of their graduates—if the courses teach the skills that local employers need.

Howard University's Institute for Urban Affairs and Research is embarked on a program designed to ensure that those skills be taught.

The project, funded (modestly) by the U.S. Office of Education, is aimed at bringing government, industry, labor and the education community into a common effort to improve skills training for young people.

"One of the things we'll be doing is to evaluate the efficacy of vocational education programs," says Clinton Smith, who is on loan to the project from the federal Office of Personnel Management.

"We need to know whether electronics and data processing and so forth are being offered to the extent that they ought to be in light of U.S. Chamber of Commerce projections that some 80 percent of all jobs will be in those areas in the next several years. While we still are encouraging young people to go on to college, many of these jobs will not require college education."

Smith doesn't have to leave home to find an illustration of how such a cooperative venture might work. His own 17-year-old son attended a vocational-technical high school in Howard County, Md., and developed an interest in data processing. Meanwhile, he spent his mornings in a regular academic program. He's now working with computers at National Cash Register while deciding whether to go on to college immediately after graduation from high school or to work a year or so.

"Our hope is that he will finish college and maybe take a master's degree in business," Smith said.

Smith's description of his son sounds familiar: a reasonably bright youngster whose grades weren't too good ("boredom," Smith suspects) until he entered the vocational program. Now he's excited about school, since the things he's learning have specific relevance to what he wants to do with his life.

"That, basically, is how we hope to proceed with this project," Smith said. "We want to develop techniques for determining what young people like to do and what their aptitudes are, find ways to develop those interests and then place them—either in college, in technical school or on the job."

A recent study, funded by the federal government, found that the "overall effectiveness of vocational education . . . is at best ambiguous and at worst nonexistent."

Smith suspects that the reason for the failure of most vocational education courses stems from the fact that they are too seldom tied directly to the needs of employers. "In order for a program like ours to work, it is necessary to mobilize the entire community, including business. We have to focus on the benefits to be gained by business.

"We tell business executives that if they don't help us train the kind of people they need, they'll have to train them themselves. We also stress the social costs of unemployment and welfare. In other words, business winds up paying one way or another. We think our way is better."

At the heart of the Howard project are the forecasts, by industry itself, of what skills will be required of its recruits.

The payoff, Smith expects, will be a major attack on joblessness among urban youth. "By tying vocational training to what industry says it needs, we are giving our young people the opportunity to compete."

[The prepared statement of George Richmond follows:]

PREPARED STATEMENT OF GEORGE RICHMOND, EXECUTIVE DIRECTOR, PRIVATE INDUSTRY COUNCIL OF PHILADELPHIA

I am not testifying today as Executive Director of the Private Industry Council of Philadelphia, but rather on behalf of the work I and others accomplished over the last four years in the city of Hartford, Connecticut. During that period we, the School System and CETA Program, built a youth employment program in collaboration with the Greater Hartford Chamber of Commerce and other significant segments of the business community. That program is called Workplaces. I think it may represent the best of city, school, business, and labor partnerships in the nation, for it has already accomplished significant structural change in the school system and has implemented some of the most daring youth employment programs you may have heard about.

To understand the significance of the restructuring and the quality of the youth programming, one does well to examine the broad context of youth training and employment in most of our urban centers. First, let me say that I regard the CETA system as an attempt to correct the failure of urban schools to train and transition youth into employment. If schools were graduating students who could read, write, and compute and who came into the workforce with marketable skills, there might not be a need for a Title VI program. Similarly, if CETA programs were placing large numbers of people in permanent private sector jobs, there would not be a need for the Private Sector Initiative. Workplaces is one of those interesting programs that has squeezed the best out of the school system, the best out of CETA, the best out of the private sector, and the best out of youth.

A. The school system

School systems now are not making the levels of educational investments in the disadvantaged that will make them employable. The average disadvantaged student receives 4 to 4.5 hours of instruction per day for about eight months a year. That simply isn't enough. It isn't enough to make large numbers of the disadvantaged read, write, and compute. It certainly isn't enough time to build the skills employers want. Schools need to open eight hours a day, twelve months a year. We need to make a far more intense educational investment in the disadvantaged than we are now making. Students who aren't willing to accept this level of investment should not attend school until they are. We can't force someone to receive an educational investment.

In Hartford, the United Federation of Teachers joined with the school district to create a new category of teacher called a VJT: Vocational Job Trainer. This class of employee works an eight hour day, 12 month year. The union agreed to allow the administration to bypass the standard teacher wage scale and to allow the establishment of a wage rate for a given position in the school system based on a market rate. That rate could be above or below the existing union scale. The determination of the rate is accomplished by taking three bids for a job from private employers or from manpower programs. The average of these three bids positions the starting salary on the regular teaching grid contract. This arrangement allows the school system to attract highly qualified vocational trainers from industry into the school system by paying them rates comparable to those found in the private industry, or to compete for manpower training funds with community organizations by positioning the school system so it competes cost-wise with traditional training providers affiliated with the CETA system. More importantly, however, it allows the CETA system to open the school system for eight hour days, twelve months a year. Still more importantly, it permits the school system to double the level of services to disadvantaged youth. CETA has helped bring about an important change into the Hartford school system.

Early in August, the Connecticut State Board of Education authorized another structural change when it voted unanimously to release youth employment and vocational programs operating in the school system from administrative and teaching certification requirements for a three to five year demonstration period. This authorization made it possible for the school administration to hire the most qualified people to administer and to train disadvantaged youth. The Hartford school system now employs teachers for an eight hour day, twelve month year and uses training professionals from the business community to supervise them. Both these structural changes go a long way toward making the school system responsive to the disadvantaged as well as responsive to the needs of the business community.

A third important structural change occurred with the creation of business community employment and training advisory boards. These boards were created on an industry by industry basis. These boards play an powerful role in remaking the vocational programming in the school district. They do it by providing technical assistance, by establishing entry level requirements into school/business sponsored training programs; they do it by contributing money and other resources such as training curricula, equipment, and part-time staff as well as by allowing access to the private training system operated by these private companies. They do it by participating in the selection of staff for school system/business community collaborative programs, and they do it by providing jobs for those students who complete the training program successfully.

B. The CETA system

We have also squeezed the best from the CETA system. Or shall we say that the most has been made of the limitations imposed by the congressionally inspired regulations. Workplaces has always seen its mission as the placement of the disadvantaged in the private sector or in advanced educational opportunities in the private or public sectors. When YETP was passed and authorized, it contained a prohibition against work in the private sector. Such a prohibition discriminates against disadvantaged youth. The net result of the prohibition is that disadvantaged youth are placed on subsidized jobs in the public or not-for-profit sector while more advantaged youth are placed in jobs in the private sector. From the standpoint of the poor, it is a disaster. They find themselves on inferior jobs without opportunities for advancement, permanent employment, or training investments that private concerns can afford to make.

Workplaces did its best to work around this barrier by establishing a network of school-based small business enterprises. These enterprises behave like private sector firms. They produce and market goods and services. Students train and work on jobs created in school system businesses, under strict business conditions. We have an Auto Center that sells car repair services, that subcontracts with a private employer for the repair of his alternators and generators, and that purchases, renovates and sells used cars. There are also commercial ventures in Graphics, Printing, Horticulture, Metal Machining, and Banking. These training ventures are the best approximations of the private sector the public sector can invent. Moreover, school-based training ventures make economic sense. They can take advantage of existing subsidies in the school system: facilities, teachers, utilities, and materials, to train the labor that is normally a captive of the schools. The placement record for students in these enterprises has been close to 95%.

C. Private sector

When all is said and done, the Private Sector is still key to the solution of the youth employment puzzle. We must squeeze the best from the private sector if we are going to solve even a piece of the youth employment problem. There are two systems of training in America. One is public. It serves the poor and the disadvantaged. The other is private. It serves those who already have the benefit of high levels of public educational investment. If we are to engineer a significant change in the fortunes of economically disadvantaged youth, the private training system must be open to receive people who are now confined to participation in the public training system. In Hartford, United Technologies invests in the neighborhood of $25-30,000 per year in an apprentice, sometimes for three or four years. The public system thinks $2-3,000 per trainee is an exorbitant training investment in a CETA eligible person. The gap between these two figures has to be narrowed. It will be narrowed if the private sector, the traditional provider of training during peacetime, accepts people with lower training investments and makes a high training input, or it will be narrowed if the federal government learns to base its investment on what it takes to make a skilled worker rather than on dividing the small CETA pot among as many people as possible.

D. Youth

And how do you squeeze the best out of disadvantaged youth? You do it by starting much earlier on the solution of the youth employment problem than is allowed by Title IV of CETA. Poor attitudes about work and low self esteem raise internal barriers to the full participation of disadvantaged youth in the labor market. Youth need to begin learning to work and to begin learning to be successful at work as children. If children learn to respect their labor and the labor of others, and if they learn to work and produce, they will become teenagers with the right attitudes. They will be a solution to an employers' need rather than a national problem.

We need children's employment programs. These programs should be developed in school system facilities after regular school hours. The focus of these programs should be on Education for Economic Development, that is, beginning the educational investment that creates an economically developed youth, who, with experience in the private sector, becomes the employable and valuable adult. Children are now blocked from participating in commerce until they reach their teens. Children from economically disadvantaged communities need a headstart toward economic development because they now start behind the rest of the field. HR 4465 should provide the impetus for launching in schools, after regular school based hours, projects that permit disadvantaged children to engage in commerce, to produce a good or service for themselves, for their community, and to earn a scaled down version of what we adults call "a living."

Recommendations

1. That H.R. 4465 include a provision encouraging teacher labor federations, and school systems to enact eight hour days and twelve month years especially for vocational training/counseling and remediation programs.
2. That H.R. 4465 encourage State Boards of Education to initiate demonstration programs that develop new categories of certification for people specially prepared to work with disadvantaged populations and to introduce private sector training professionals into public school systems.
3. That H.R. 4465 expand YETP provisions that reward school systems who raise the level of vocational/investments in disadvantaged populations.
4. That H.R. 4465 encourage established private sector training programs to create youth training components as part of their regular training systems.
5. That H.R. 4465 encourage development of school-based business enterprises that employ and provide disadvantaged youth with marketable skills.
6. That H.R. 4465 authorize the expenditure of Title IV funds for children's employment programs (after-school, 6–12 yr. olds) at wages ⅒ that of the federal minimum hourly wage.

STATEMENT OF GEORGE RICHMOND, EXECUTIVE DIRECTOR, PRIVATE INDUSTRY COUNCIL, PHILADELPHIA

Mr. RICHMOND. Good morning Congressman. I am not testifying today as the executive director of the Private Industry Council of Philadelphia, but rather on behalf of the accomplishments I and others achieved in the last 4 years in the city of Hartford, Conn.

During that period, the school system and the CETA program built a youth employment program in collaboration with the business community, in this case the Greater Hartford Chamber, that I think is illustrative of the importance of the partnership between these three sectors.

That program is called Workplaces. I think it may represent the best of city, school, business, and labor partnerships that you may hear of, and I think that it made some structural changes both in the school system, the CETA system, and the business community that I think are important to register.

To understand the significance of the restructuring and the quality of the youth programing, I think this program will attest to, one does well to examine the broad context of youth training and employment in most of our urban centers.

First, let me say that I regard the CETA system as an attempt to correct the failure of urban schools to train and transition youth into employment. If schools were graduating children who could read, write, and compute, and who came into the work force with marketable skills, there might not be a need for a title IV program.

Similarly, if CETA programs were placing large numbers of people in permanent private sector jobs, there would not be a need for a private sector initiative.

Workplace is one of those interesting programs that has taken the best out of the school system, the best out of the CETA, the best out of the private sector, and the best out of youth, I think. My remarks are based on those four sectors, and what happened there.

School systems are not now making the levels of educational investments in the disadvantaged that will make them employable. The average disadvantaged students receives 4 to 4½ hours of instruction per day for about 8 months. That simply is not enough. It is not enough to make large numbers of disadvantaged people read, write, and compute. It is certainly not time enough to build skills in those people.

School needs to open for 8 hours a day, for 12 months a year. We need to make a far more intense educational investment in the disadvantaged than we are now making. Students who are not willing to accept this level of investment should not attend school until they are. We cannot force someone to receive an educational investment. I think that that has been borne out.

In Hartford, the United Federation of Teachers joined with the school district to create a new category of teachers, called a VJT, which is a vocational job trainer. This class of employee works an 8-hour day, a 12-month year, at a wage scale that is reached by going through a bidding procedure, which means the prevailing rate or market rate.

It means that the union allows the administration to bypass its existing contract in order to create this class of employee, so that we can deliver instruction for the school year at a price that was not out of sight. So, we were able, in Hartford, to open the schools all summer, and for an extended day. It made a huge difference.

The other thing that happened in Hartford, I think, was important structural change. The Connecticut State Board of Education, in recognition of this very significant input from CETA, authorized the Hartford School District to waive all certification requirements for teachers, and for administrators for 3- to 5-year demonstration periods during which the school district was to evolve a new standard of certification for practitioners who were doing youth employment programs in Connecticut, and I am speaking specifically of the training staff.

This made it possible for the school system to attract into the school system private sector training, and trainers. So, not only could you pay the prevailing wage for the talent you wanted, but you could select them from anywhere. I think that was a major structural change, and one that I think would be useful to encourage in other areas of the country. I think that these structural changes will open the doors to people who have the dedication to train.

The third important strctural change was that we were able to establish with the business community advisory councils by industrial sectors. These councils were given the power to exert huge influence over the change of curriculum in the school district.

These councils were made up not of the chairmen of these corporations, but of their training directors, and personnel managers. In programs which they sponsored, they were able to basically help reform the curriculum. They were asked to contribute jobs. They were asked to contribute resources, technical assistance, and did so. There was an interest requirement for the people to go into the program, so that the influence of the business community was tied very directly into what the schools were doing.

I would like to say something about schools. They have to change. I think that the long-term solution of the youth unemployment problem is based on the schools doing their job. The power of CETA, with the millions of dollars that go into youth, should be enhanced.

I would be an advocate for funds going to education to go through the CETA system to the school system, because I think the CETA system is oriented differently than our school systems, and the leverage that it can pull on the school system in terms of the school system is very significant, if we can work our school systems up to that.

I think that this is an important role for the school system. I would like to see in a youth bill that role continue. Under the Javits amendment, the 22 percent was very important in forcing primes to deal with the school systems and the school systems to deal with primes, and a lot of good has come out of that, which no one intended, but which has been significant.

Another item which I think is important, and which we began in Hartford, but is not supported by Federal funds. You were discussing a moment ago the age at which these programs should start, and I believe the age should be about 6 years old, rather than wait for 14 or 15, or 12 and 13.

In Hartford, we were able to invent something, which I think Graham Finney here has been founding with out-of-school youth, training ventures, school-based business ventures under the supervision of the school officials, where students after, during the school hours, depending on when we could arrange to schedule them, worked and trained in those buildings, in that plant which was otherwise idle.

I think that I would like to see Congress, at some point, authorize funds for demonstrations in which business people and parents, and other small business people in the community, are able to come to the schools and engage with children in small business enterprises, and courts and other institutions that adults live in, and allow children to build organizations, and train themselves, and learn about the factors of commerce.

There is no curriculum in any school system that I know which teaches children how to use money or how to interact with markets, or to build institutions, and how to develop them. Yet, the most part of the disadvantaged community is an underdeveloped economic community, and the development has to begin at 6 years old, if not before.

I think a youth bill would be visionary if it could begin to encourage, through the schools, so that we don't have parents and employers exploiting children, but through the schools, and urge the school systems to let the children engage in commerce. I think that it is important as part of the long-term solution.

With respect to the private sector, I would say from my experience in Hartford, the private sector is not reluctant at all to invest from $25,000 to $30,000 a year in an apprentice for a highly technical field. I found the reluctance in the CETA system, in my experience, to invest more than $2,000 or $3,000 in a trainee. I don't think that you get very much from that investment.

I think that you are going to have to be serious about better than entry level occupations for the clientele we serve if we are really going to make a connection with the private sector.

There is a flood of people for entry level jobs. What businesses will tell you over and over again is that they want skilled people training, and that takes time. It cannot be done in 14 weeks, or 18 weeks. Sometimes it takes years. I think that there should be provision made in the law to encourage that kind of training. I think that the private sector has to be a part of it, of course, and maybe some arrangement could be worked out.

I will just summarize my recommendations. There is some text here which has important ideas that come across.

I would like to see an H.R. 4465 include a provision encouraging teacher labor federations, and school systems to enact 8-hour days and 12-month years, especially for vocational training and counseling, and remediation programs.

That H.R. 4465 encourage State Boards of Education to initiate demonstration programs that develop new categories of certification for people specially prepared to work with disadvantaged populations and to introduce private sector training professionals into public school systems.

That H.R. 4465 expand YETP provisions that reward school systems who raise the level of vocational investments in disadvantaged populations.

That H.R. 4465 encourage established private sector training programs to create youth training components as part of their regular training systems, and here I talk about taking advantage of existing capital that school systems have to buy equipment and all the rest, so that they can go into business, and simulate for youth an environment that is much more conductive to their learning and advancement even into management fields, that you will find in the private sector.

That we authorize the expansion of title IV funds for children's employment programs, and that we allow that to be done at a wage rate one-tenth of the Federal minimum wage.

Thank you.

Mr. Hawkins. Thank you, Dr. Richmond.

The next witness is Mr. Graham Finney, president, Corporation for Public-Private Ventures.

[Prepared statment of Graham S. Finney follows:]

Prepared Statement of Graham S. Finney, President, Public/Private Ventures

My name is Graham S. Finney and I am President of the Corporation for Public/Private Ventures, a non-profit corporation here in Philadelphia with planning, management and research capacities and special interest in how the resources of the public and private sectors can be more effectively meshed to treat the nation's unsolved domestic problems.

None of these problems is more complex and intractable than youth unemployment, especially among poor minority youth and, more especially, in older cities like Philadelphia, as well as many rural areas where key elements of the local economic base are eroding to the special detriment of those without good education, without stability in their family and neighborhood life, and without access to the opportunities of mainstream America.

Having worked for the past two years on two major demonstration projects funded under the Youth Employment and Demonstration Project Act, we at Public/Private Ventures know the rigors of treating youth unemployment. It goes well beyond digesting figures about how many young people are out of work yet seeking jobs; it also goes beyond the increasingly stated fear that unemployed youth may soon again disrupt urban tranquility. While both the figures and the rhetoric must be taken seriously as you consider how to frame new youth legislation, please note that both the figures and the fears have persisted for many years, through good economic times and bad, whereas efforts to treat the problems have not persisted on anything resembling a steady, serious course. This lethal lump in our cities, in short, needs continuing attention geared to diverse local conditions if the impact of our investments are ever to match our present concerns.

May I use my testimony, therefore, to point out some crucial planning, management and institutional features that should be solved for in the legislation to be framed.

1. Make a multi-year commitment to youth programs so that local plans and efforts can be properly mounted and sustained for at least a three year period. Our own demonstrations have been mounted for a scant 18 months, with prospects for extensions but without the assurances necessary to get the most from the total efforts of many local organizations, public and private. Such a fragile basis defies the realities of assuring sound planning, tight management and necessary follow-up. Please be realistic about the time it takes to plan and manage complex human resource programs at the local level and through the intergovernmental grid.

2. Make maximum use of approaches now in place which display a real capacity to reach young people. The best programs grow out of natural roots and local linkages. OIC, born here in Philadelphia is such an example; so is the supported work demonstration project which deserves wider application. In the past three years under YEDPA, much of value has happened through both demonstration and formula-funded projects. While many of those experiments have not yet fully matured for reasons noted above, there are many signs of real promise. In any new Act, make sure we seek them out and facilitate their transfer and use at other sites. Reward past performance, otherwise the unique and vaunted goals of the demonstration projects act will have been squandered.

3. Where public service positions are involved, foster programs with a double social utility, by which I mean ones that both equip youth with skills, access and improved work attitudes and produce added value to the community as measured by physical improvements completed and human services rendered . . . work that would not otherwise have happened but which is essential given shrinking municipal resources. Our own Venture in Community Improvement Demonstration Project, an effort under the YCCIP title of YEDPA, is attempting to do just that in eight jurisdictions where young people are fixing homes and public facilities under close supervision from skilled journeymen. Moreover, working linkages between manpower, community development, education and other funding streams have been realized. In old cities, a successful merge of supervised skill training for youth and vital work accomplished has widespread applicaton to the nation's enormous energy conservation needs. Programs with double utility build a badly-needed credibility behind the nation's manpower efforts as well.

4. Focus a great deal of attention on stimulating youth employment in the private sector where most of the long-term jobs will continue to be. In doing so, be realistic about the initial hesitancy of many private employers to take on unskilled young people. Success requires tailoring government programs to the specific needs of private employers. It means using public education and training programs prior to the delivery of job-ready youth to business and industry. It also means minimizing

the hassle involved in using any available federal incentives like tax credits or programs like on-the-job training.

I would speculate that among the nation's employers perhaps one in ten knows anything real about YEDPA or the various specific tools available under CETA programs. Alas, many more know about well-publicized blemishes associated with CETA and use them as an excuse to duck participation. Disadvantaged youth need, in short, to be marketed to private employers on a concerted, painfully honest and well-informed basis. It is not easy to build the required partnerships even under the best of circumstances which, in this instance, clearly does not apply.

Title VII is the existing new, relatively untried vehicle for bridging this public/private chasm. There is the need for strong, continuing support of the Congress as youth efforts are mounted under the private sector initiative program. Local private industry councils should be encouraged to deal with youth, to market them to private employers on feasible grounds. We are involved in such an experiment in Hartford, Connecticut which may hold real promise for future replication.

Support, however, means not just adequate funding for a minimum of three years but also making minimum changes in current provisions and regulations unless those changes clearly alleviate known obstructions in local use of the programs. Otherwise, keep the tinkerers away from this and other promising efforts in your overall strategy. Listen to what is needed locally and then hold the private sector to account if it does not deliver. PICs today are mere babies; help them to grow up by keeping the requirements of partnership as simple and straightforward as possible. It won't take much for the private sector to lose heart on a tough problem.

6. Again to enlist the interest of the private sector, reward close links between youth training and education programs and programs of community and economic development. In cities like Philadelphia, we can train forever but, without the aid of new employers to take on those trained, we will have an imperfect match. Steps that assure close working, practical links between local economic development, manpower and education programs need to be the next targets of concerted demonstration efforts as new youth legislation is perfected and new economic development legislation nears passage.

7. Finally, we must all face up to the lack of sufficient present capacity to run public/private efforts at the scale we require and take steps to build that capacity. If business is often wary or hostile to government programs and administrators, it is equally true that government officials denigrate or misunderstand the vital place for private employers in meeting common goals. Alleviation of our youth employment problems requires us to break down these hostilities and impressions to show how we might bring reality to the thought of partnership, not just rhetoric. That will also take time and means that special provisions for building that capacity be implemented under any new legislation.

This city has combined in the past its public and private resources to rebuild its downtown and some other areas and to generage many jobs through that process. Those were begun in times of growth and optimism. Now we are aware of an eroding economic base, shaky municipal finances, distrust among races and classes, plus high unemployment. The Philadelphias are ready, therefore, to combine efforts again, this time in order to turn the corner from survivial to new growth. Any new youth act should encourage concerted local action among the players: manpower agencies, educational institutions, economic developers, business and labor, among others. To make use of this new readiness to deal creatively with austerity, keep the rules simple; encourage realistic linkages between the many parties to action and, above all; keep it up.

I am pleased to attach to this testimony a packet of materials describing our current activities.

STATEMENT OF GRAHAM S. FINNEY, PRESIDENT, PUBLIC/PRIVATE VENTURES

Mr. FINNEY. Mr. Chairman, Mr. Gray, Mr. Myers, thank you for the chance to appear this morning. Let me keep my remarks extremely brief and concentrate on experience learned the hard way over the past 2 years, operating two of the demonstration projects brought into being under the YEDPA Act.

Without commenting in detail upon the bill, except to say that it is certainly headed in the right direction, in my opinion, let me make that whatever comes out be kept simple and consistent.

Referring back to Mr. Ferguson's comment, it is perhaps not universal eligibility rules that are important, because I happen to believe there are a lot of different ways to deal with this program, but it is keeping the eligibility rules consistent over a decent period of time, so that people can begin to deal in reference to them, and not be plagued by constant change.

A second point is to make sure that the act allows for the full use of the people who can best deal with portions of this hideously complicated problem, and that includes not only school systems and manpower agencies, but community-based organizations who, in many instances, are the only ones who can reach the most aggrieved young people out of work and on the street.

Third, I would recommend that you capitalize on the distress of old cities these days. As Mr. Schwartz said, we look not only to him and the city council, but to you and the Congress to pay our bills, and to get us through the day. There is a willingness to deal, to make arrangements, and to build partnerships at the local level these days that was not there 5 years ago, and the act should speak to those possibilities and induce those arrangements.

One way that is being induced, it seems to me, is through the title VII program, and my plea there is that it be let alone and allowed to grow and continue for at least a 3-year period, so that the kinks can be gotten out of it, so that the private businessmen can be brought to the table and induced to relearn the CETA system and the opportunities therein.

I would argue today that 1 in 10 businessmen in this country don't even know what is possible, much less have a willingness to enter into that program. There is a hideous learning problem there that can only take time, and I think title VII managed locally, and attuned the local differences is the best possible tool we have for dealing with that.

Then, finally, I would argue that the most important thing of all is to keep it up. The figures persist, the rhetoric about what will happen if we don't treat the problem of the unemployed, particularly minority youth persists. What does not persist is our attack, and our putting money into institutions on the line to do something about it.

Therefore, the feature of 3- to 4-year funding for these efforts is absolutely elementary. We would not conceive, if this were a medical problem, of doing it on a year-to-year kind of basis. It has to be done on a long-term basis. We would not conceive of running the Nation's education programs on annual appropriations without the assumption that there would be continuity.

It seems to me that what is happening is that we are coming of age in the youth employment area, and an awful lot of money has been sunk in the last couple of years. We need to turn the corner, and in that regard I will add a couple of more thoughts.

The public/private line, the public/private connection is a tough one, given the fact that many, many people on the private side don't want to deal with government these days, and I would add, many people on the government side don't have enough respect for what the private sector has got to do in order to solve the problem.

We need to build capacity to do that. We need to build people who can deal on both sides of that line, while we are perfecting this manpower youth employment approach as the continuing aspect of local domestic policy, not as something that is here today, and not here tomorrow, or is different tomorrow.

So my plea is to keep it simple, use all the actors you have got to solve it, including people in the community, and keep it up. I know that the support for that kind of a commitment will be genuine, because the costs of doing nothing about it, as the councilman said, are so incredibly awful.

Mr. **Hawkins**. Does that conclude your statement?

Mr. **Finney**. Yes.

Mr. **Hawkins**. Thank you, Mr. Finney.

Our next witness will be the Reverend Thomas Ritter, OIC's of America.

STATEMENT OF REV. THOMAS RITTER, OIC'S OF AMERICA

Mr. **Ritter**. Thank you, Mr. Chairman.

First of all, on behalf of Dr. Sullivan and the OIC constituency, I wish to express our appreciation to you and your subcommittee, and particularly to our Congressman, Congressman Gray, for this opportunity to participate in these hearings.

I believe that any legislation that is designed to improve the employment opportunities of our youth must, of necessity, take into account the whole-person concept. To me this means that the cultural, social, and psychological needs of our youth must be considered, as well as their educational needs and preparation for employment.

Our experience in OIC has taught us that if the total needs of youth are incorporated into their training process, they are better able to get and to maintain jobs. They must be made to be satisfied with themselves in every respect.

I would like to suggest, if I may, a few program considerations that I believe will be helpful in achieving the goals of this very timely and beneficial bill.

First, there should be, in my opinion, reward as an incentive to achieve. I believe that some way must be found to incorporate a reward system into the program. An example of this would be to set up a point system, so that the youth earn points as they go through the program. The greater the number of points, the greater the reward for their efforts. Such an incentive might allow for a greater ratio of successful participation.

No. 2, I believe there is a necessity for the orientation of the marketplace. A major and sincere effort should be made to prepare those in the marketplace for the entry into that marketplace of the unmotivated, unskilled, minority youth. Too often in the past both the youth and their employers have failed because the employers were not properly prepared for them.

No. 3, parental and community involvement I think is important. Many youth need the security and the support that comes with parental and community participation. In addition, the parents and the communities would be of great benefit to the effort.

Some suggestions for parental and community leaders involvement would include:

Parents and community leader seminars;

The use of parents and community leaders as guest lecturers;

The use of parents and communities as advisors and counsellors.

The use of parents and community persons to assist in designing the nontechnical aspects of the programs;

A system whereby reports to parents and communities are made in proper forums and at proper times.

No. 4, I believe here is an opportunity to further use community institutions. Community facilities such as churches and community centers could be used as training and meeting places. I believe that this would eliminate some of the excessive travel out of the community, which is sometimes too difficult, too costly, too expensive, to suit the client.

No. 5, we need in this bill, I believe, the strength. I believe every effort must be made to insure through training sessions that those responsible program operations have updated and definitive knowledge of the training and employment needs in the area in which they operate. Far too often, program operators are ignorant as to the present and future needs of business and industry, or the types of training and equipment necessary to prepare the clients to meet those needs.

In this connection, program operators must understand that in some metropolitan areas, such as Philadelphia, there may be, on the one hand, a diminishing number of manufacturing jobs, while, on the other hand, an ever increasing number of jobs in the service and related industries.

Therefore, massive effort could be made to prepare youth to be paraprofessionals or sales persons, legal or medical aids, traffic manager assistants, food manager trainees, or even housing rehabilitation trainees, et cetera.

No. 6, I am extremely interested in the entrepreneur and business training as related to young people. Minority youth, in generneral, and black youth, in particular, are usually total strangers to the world of business.

The strength of any nation, city, or community, or race is its middle class. Since a large portion of the middle class are either entrepreneurs or white-collar workers, we must insist that a much greater effort be made to prepare our youth to enter the arena of the middle class and entrepreneurship. I do not speak of middle class in terms of social status or race, but in terms of economic status.

Incidentally, in No. 6, I am really saying that we ought to set up a minicorporation where young people can be the board of directors, can hire each other, and be taught in all aspects of business. This is where I think, and I agree with my friend George Richmond, this should begin at a very early age.

No. 7, intergovernmental commitment and committees. An intergovernmental committee could do much to carry out the purpose of H.R. 4465. For example, such a committee would be invaluable in job creation, to redesign a job classification. In addition, such a committee could identify those government agencies and programs that made job creation possible. This is a very essential element, since new jobs in our communities will be an absolute necessity if this subcommittee's efforts are to succeed.

No. 8, program progess and followup. Program reports and followup are not new. I would still stress that sufficient followup be provided for after the youth are placed in employment. This should be done not only to check on the progress of the youth, but to check on the progress of the employer as well.

Whenever an employer receives training assistance funds, there must be ample evidence that the employer is providing the training he is contracted to provide. The reverse of that is obvious.

No. 9, a central clearinghouse. Such a clearinghouse would avoid unproductive and unnecessary duplication, but would be asked to certify clients' readiness for training, clients' readiness for work. Such certification could be carried out by any number of community based organizations.

Mr. Chairman, we in OIC have been in the business of training the unemployed for jobs for more than 15 years. I can say to you, sir, that things are now worse than they were when we began in Philadelphia. For example, the unemployed ratio of our youth is at least 22 to 25 percent. They attend schools more segregated today than they were in 1963. They live in more dilapidated houses and more segregated neighborhoods. To make things worse, they are staying in school longer, but learning less. Since the future looks so bleak to them, their peers, and their families, they are simply giving up on themselves and society.

Therefore, Mr. Chairman, may I offer our most sincere thanks to you and your committee, and may I offer our prayers to Almighty God that through your efforts, youth might be helped and saved, and that our people might be helped and saved, and our Nation might be blessed.

Thank you very much, and God bless you.

Mr. HAWKINS. Thank you, Reverend Ritter.

May I indicate to you and to the rest of the audience also that Dr. Leon Sullivan did testify before the committee in New York during one of our recent hearings. He has presented detailed testimony to the committee in Washington, and has worked very closely with the committee over a long span of time. We are deeply appreciative of the contributions made by the OICs.

The final witness in this panel is Mr. John Bowser, Philadelphia Urban Coalition.

STATEMENT OF JOHN BOWSER, PHILADELPHIA URBAN COALITION

Mr. BOWSER. Good morning, Mr. Chairman, and Congressman Myers.

First let me apologize for not having written testimony. I will, following this hearing, reduce my testimony to writing, and submit it to staff, with the appropriate number of copies.

With respect to that submission, I will include information about my organization, so that you, Mr. Chairman, might have a better appreciation for the role that the Philadelphia Urban Coalition might play, should bill H.R. 4465 become enacted.

I am appreciative of this opportunity, and I want to be as effective as I can, but I cannot begin my specific testimony without referring to some comments of earlier speakers. I think that it is quite inappropriate for a leading governmental official, such as an earlier witness, to suggest that the hero of the inner-city youngster is a person who is outside the law, doing a number of things that I will not reiterate.

That is so far from the truth, I think, that it best describes the problem that we have in getting an effective use of Federal funds in the area of the hard to employ.

Annually, my organization conducts a workshop for youth interested in employment at Temple University. That workshop tries to make them aware of new job opportunities. We spend a whole day teaching them how to prepare job applications. It is oversubscribed. We have over 400 youngsters who would like to attend, but we can only accommodate 300. We have to turn young people away. Their hero is certainly not the individual described by Mr. Ferguson.

Second, I think that it is totally inaccurate to suggest that there is some historical comparison between the economics of the Depression, and the economics that we face today. This economy is not going to mysteriously straighten itself out. We are not comparable to a set of economic conditions with respect to the Depression, so that someone whose idea, expressed earlier, that if we just continue to plug along, and ask the Government for more—I heard you say, Mr. Chairman, that you had big problems getting at least the same in the youth service area. Ask them for $3.1 billion to get this bill in the first year, without identifying where that is going to come from, and suggest that we can do all the things we have been doing, or have done in the Depression, will solve this problem, to me is completely inaccurate.

I have a background in economics. I spent more time working in the private sector than I have for the Philadelphia Urban Coalition. I think I understand very well what I am talking about. I am not a lawyer, and maybe that is another problem.

The background in Philadelphia is that we have a work force of about 800,000 people. We have a population of 1.8 million people. In the country, we have a population of about 200 million people, with a work force of about 100 million people. Clearly you can see that nationally there is about 50 percent of the population employed. In Philadelphia, we have less than that of the city's population employed. That is important.

In addition, Philadelphia is a taxing aberration. I hate to use that word. This city has the right to tax nonresidents that work in the city. There is no commitment that I can distinguish on the part of local officials to apply funds that come here for economic development purposes and for job purposes, not unless it is written into the eligibility criteria, to isolate those jobs for city residents first. No commitment.

We spend urban government action grant money when we can get it. We spend HUD money when we can get it for economic development activities, with no commitment on the part of the employer to hire city residents. That is good local politics, because the worker, because of his residence, pays city wage tax. So there is really no commitment to insure that city residents get jobs.

I believe that work experience is a family experience. If the parents are not accustomed to work, the children are not, therefore, expecting to go to work. We must look at this problem, I think, from a realistic standpoint.

This city must make a commitment to hire its residents first. All the statistics indicate that the city's population is declining. If the labor force remains the same at 800,000, and if there is a commitment to hire city residents first, we will reduce the unemployment as it relates to city residents, and we will reduce the unemployment problem as it relates to city youth.

I am concerned about this bill, because I am concerned about its financing. As advocate for a bill of this nature, I am concerned if I am also not contributing to the reduction of services in some other area. I don't want to give up housing. I don't want to give up those services. I don't want to give up other programs for human needs, to fund $3.1 billion for this youth bill, but I need the bill.

I know that the Government is currently pursuing a new revenue source, called windfall profits tax. I know that the Congress of the United States passed a bill that would raise over a 10-year period $104 billion. I also know that the Congress of the United States did not specify programmatic expenditures.

It would seem to me to make sense to tie this bill and its funding to windfall profits tax. It would seem to me that it could directly comply with the administration's programmatic expectation to assist the poor.

I am extremely distressed about the administration's allocation of this $10.4 billion annually that they would hope to get from the windfall profits tax. As I understand that allocation, they are contemplating $2.4 billion for the poor, $1.6 million for mass transportation, and $6 billion for alternative sources. Sixty percent of the bill is to go to the creation of new wealth, again without recognizing other employment needs, again without suggesting location analyses, where these plants would be located, and who would get the jobs.

I have great difficulty accepting that in the first year of this new tax, should they get it, they can even move $6 billion in alternative sources. So I would suggest that this committee consider increasing the allocations that I have heard from the administration in terms of assistance to the poor by the amount required to fund this legislation.

That would mean to me, therefore, that the windfall profits tax, we might see $5.5. billion going to assist the poor, including youth unemployment.

Further I would hope that in looking for the funding to do these things, that we also heavily suggest that when the alternative sources are pursued, and when the production plants are to be located, we look to locate those plants in urban areas where we have a continuing unemployment problem.

With specific reference, I would like to look at the amendment proposed to title V, suggesting that we need more information, and also, I guess, the amendment that is proposed to title I, suggesting that we need to talk about individual employment prescription.

We have long known in this country from many an economic study that the people are in the places that the jobs are not. This Government has not yet been serious about exposing inner-city youth to the rest of the country.

Some years ago, I happened to visit Minneapolis, Minn., and the crisis in Minneapolis is that they have an insufficient number of minority youth to employ in programs that the city of Minneapolis has, in order to meet its summer job commitment.

I also found that in the private sector, at the Minneapolis airport, they had an insufficient number of people that wanted those kinds of jobs. We, in the city, go begging for jobs that do not exist, but in other places in the country, the jobs do exist.

My organization did propose to the appropriate administrative body an exploratory kind of American revisited program where we would link inner-city youngsters with viable social service agencies in some of these other cities, and open their eyes about the United States.

If you talk to inner-city youngsters, which is not done often enough, you will find that they are really not aware of what it means to cross a bridge to leave Pennsylvania, or to cross a State boundary line and to go into another State. What does the Sunbelt mean in terms of jobs? What does the north part of the United States mean in terms of disproportionate share of minorities.

One of these things that we now see clearly is that the unemployment problem is not evenly shared. It is not evenly shared by location. It is not evenly shared by ethnic groups. If we are going to attack the unemployment problem and identify young people as a target, we must recognize the problem that location analysis, where the young people are, and where the jobs are, may be in totally different places, and that ought to be, as I see it, an integral part of this legislation.

The other thing that distrubed me, I think, which generally along the same theme, is that if we raise the consciousness level of young people to training programs, they will find jobs. I guess that means that there are jobs waiting that are unfilled simply because of skills. That is far from the truth.

The truth is that we are now into an international market development strategy. It is important for the United States to help mainland China develop its industrial base. It is also a reality that investment capital is not expanding. I happened to live through a situation while at RCA, when it was important to the Kennedy administration to develop the economic base of Formosa.

As a consequence, RCA was encouraged to close its radio manufacturing plant in Camden, N.J., a city just south of here, and relocate that manufacturing plant on Formosa. What that did to Camden in 1960, Camden has never recovered from. Those jobs are gone. They are long gone, and they are never going to come back.

When Coca-Cola elects to go to mainland China, when industry decides that the marginal profit return to pursue certain international markets is better for their investors than to concern themselves with domestic economic development, we have to recognize that with our Government, and our Government ought to begin that dialog, and that discussion.

I mean to be cooperative. I don't mean to lecture. Much of new technology is financed by Government expenditures. Many of the new products being manufactured outside of the United States was financed by Government experiments, often buried in DOD contracts, often issued as direct technology grants to major research laboratories.

I am suggesting that we should continue that, if it helps this country. I am suggesting we do have a role to play in international economics, but I am also suggesting, however, that we begin to focus on the judgment as to where the end product will be produced.

As a financial backer in the creation of this new technology, we ought to have some clout to strongly suggest that these new plants and the new products be located in areas where we can stop talking about social programs from the welfare grant standpoint, and begin to talk about putting people to work because we have developed a new product, and we have the right to do that.

Market expansion, technology, automation, ownership programs and developing nations, to me seems inextricably tied to the grand issue of unemployment, and specifically tied to what we do for youth.

Financing this bill, to me, is also an issue that cannot go unstated, recognizing the unique posture of local governments in financing themselves, recognizing its absence of commitment in the past to get city residents employed, being quite optimistic that a new administration will make this less than imaginative, almost racist comment that we heard this morning, is some reason to be optimistic, and one of the reasons why I am very appreciative to have this opportunity.

I think that this bill should be supported. I intend to do that. I think that consideration ought to be given to location analysis, and some concept of America revisited. I certainly will make those comments known to Congressman Myers, and Congressman Gray, who are on the board of my organizations.

I stand ready, Mr. Chairman, to answer any questions that you may have about my specific testimony.

Mr. Hawkins. Thank you, Mr. Bowser.

Mr. Bowser, many of the suggestions made by you relate to the sources of the funding for the employment programs, including a youth employment program. The reason the subject is not addressed in this particular proposal, or in any such proposal, is that the committee under which this bill is being considered is an authorizing committee. The disposition, for example, of the windfall profits tax is not within the jurisdiction of the committee. I just wanted to explain the jurisdictional problem.

Personally, I agree with you that much more of the money obtained from the windfall profits tax should be used for providing employment opportunities for the disadvantaged, but that is an issue that is clearly beyond the jurisdiction of the committee, and for that reason it is not included in the proposal.

I certainly feel that it is a proposal that should be directed to those who have some influence on that particular issue, and that would be members of the Ways and Means Committee.

Dr. Richmond, you had indicated, and I think rightly so, about the involvement of the school system, and you have made many suggestions. I assume you are recommending that H.R. 4465 be expanded to include programs, or at least to emphasize the link between employment and the school system. While I have not had an opportunity to read your prepared statement, and I certainly intend to do so, I assume you have made some specific recommendations as to how these provisions can be incorporated in the pending proposal.

I agree with you that that link should be made much closer than it is, and that we should begin at a much earlier age in order to prepare youth.

Am I correct in assuming that you have included in your prepared statement some specific recommendations as to how the proposal can be amended to include those suggestions. If you have not, may I suggest to you that you do so, and submit that to the committee.

Mr. **Richmond**. Yes; I have them in my prepared statement.

Mr. **Hawkins**. Thank you.

Mr. Gray?

Mr. **Gray**. Thank you, Mr. Chairman.

One of the things that I would like to ask Mr. Finney, because he emphasized the need for more community based organizations participation in youth job development, to be a little more specific and amplify that comment.

Mr. **Finney**. The thrust of what I was saying is simply this: We should avail ourselves of the best service deliverers in meeting this complex problem. In our own experience in running demonstration programs around the country in a variety of sites, very frequently the best deliverer is that group which is closest to the young people to be reached, to be motivated, to be assisted in getting access to the world of opportunity.

Those are, alas, in many instances, not going to be schools systems, and they are not going to be Government agencies. They may very well be OIC's and urban coalitions, and a whole variety of programs that are out there.

I was trying to make the point that a lot of the experience that I see personally in our work on YDPA speaks eloquently to the capacity of local groups, but the capacity is insufficient to do the whole job, clearly, but that it ought to be built in. That connection between community based organizations, city manpower agencies, and school systems needs a lot of work, and needs to be perfected over the course of whatever comes next in the legislation.

Mr. **Gray**. Would you encourage in the city of Philadelphia to make greater use of community based organizations and labor market intermediaries for functions, such as the competence of employment training, as opposed to the more centralized pattern that we currently have?

Mr. **Finney**. It would be inconsistent for me to say what I did, and not to say that it be applied. If well done, and carefully in my own backyard. Yes; I believe that very strongly.

I will also go back to what I said in my testimony that we are all very young in knowing how to work these things right. Clearly those community groups have got to be held to high standards. Clearly Government people have to learn how to work with them. The partnership business is not easy to pull off. But this problem requires the presence and the up-front leadership of community people.

Mr. **Gray**. Mr. Bowser, you mentioned that you took issue with the earlier comment in the testimony heard here this morning. Could you be a little more specific?

Mr. **Bowser**. There were two general themes that I heard earlier that I wanted to take issue with. One of them, in demonstratively trying to identify the business of motivation, and the hero worship that Mr. Ferguson said that he was competing against what he called "pimps and drug pushers," I guess, and others, who probably made more than $4 or some figure he came out with per hour. As a consequence, the poor people in the neighborhood saw those folks as their hero, and would not participate in these programs. This is a preposterous statement. That is absolutely false. I made mention of one simple example, and there are others that I could certainly give.

I gave the example of where my organization sponsors an annual conference, and the city of Philadelphia does not contribute 1 penny to the conference, and what we attempt to do with the help of a lot of other youngsters is to make people aware of the potential job opportunities, encourage them on how to approach those job opportunities, how to conduct an interview, how to complete an application. The fact is that that conference is oversubscribed by several hundred youngsters that we cannot accommodate. So I gave that one example.

We did develop an ice cream parlor as a youth owned and operated business. The young people worked purely on a commission basis. That is say, if they don't sell the ice cream, they don't get paid anything. We had more youngsters wanting to work in that ice cream parlor than we could accommodate.

So I submit those two little examples as one thing that I take very serious issue with, which also indicates the big problem that I have when I know that the leadership for administering these programs comes from an individual who thinks like that.

The other thing that I have concern with is to suggest, and this came from Councilman Schwartz, that really there is great similarity between what we are experiencing now and the depression, and if we go about a series of jobs programs, it is eventually going to straighten itself out, and all these things are going to go away. That is not going to happen. It is not going to happen because we are not targeting on city residents.

There is little incentive for local government to target on city residents because of the taxing structure. I think that the Government that does fund the PRC, and the Government that does fund a number of economic development programs ought to require that city officials target on city residents. So those are the two issues.

Mr. **Gray**. Thank you.

Dr. Ritter, and Dr. Richmond, would you give me your comments on the question of youth differential and the minimum wage?

One of the arguments that we hear often at the national level is that many of the programs don't work because of the minimum wage that is paid to young persons. I think I heard someone earlier this morning use that also in their testimony.

Dr. Ritter, based on your experience, working at the grassroots level, and Dr. Richmond, could you give me quickly your reaction to the differential in the minimum wage?

Reverend **Ritter**. Thank you, Congressman. I very strongly favor a suitable minimum wage for youth. I do not think that just because a person happens to be 15, 16, 17, or 18 years old, they ought to be paid much less than someone who may happen to be older, and doing the same or nearly the same thing.

I also think that the incentive for suitable minimum wage carries with it the necessity for providing the kind of job environment, so that that youngster can properly benefit from that job experience, and not be caught in the bottom rung of a job for an extended period of time, for example.

Some people that I am aware of go into a job at minimum wage as a youth, and remain at the bottom of the ladder, even after they become an older adult. I think there needs to be structured some career ladders, so that young people who started at the minimum wage, can move up.

Let me repeat, I think, for a variety of reasons, I support the minimum wage, not the least of which, I am aware that there are a lot of people living in perpetual poverty. If the loaf of bread keeps going up, and the youngster has to help provide the income for that family, why shouldn't his wage keep going up.

Mr. GRAY. Dr. Richmond?

Dr. RICHMOND. I am in deep conflict about this matter. It is clear to me that the families that these youth come from rely on the minimum wage, which helps a great deal. So the youth employment bill is of great help, not only to the youth, but to the families that these youth help to support.

On the other hand, in the actual operation of training programs, there is a kind of justice in paying students for their productive work, and not paying them when they are being trained. As they become a force in the program itself, pushing the teachers of that training so that they can get to the full wage, and then move, in fact, into a higher wage.

One of the things that I find myself favoring in that instance was that we not pay the youth while they are receiving training, or some percentage of their time, and they get some sort of rating at a 40-percent training level, and then when they are fully trained, and they get fully paid.

I think that there may be a way out of this dilemma, although it is a similar way out. I would like to see a part of the youth's wage be put into a bank account for him as an investment toward the completion of school, and either going on to college or a job, or whatever.

I think that it is psychologically important for youth to have access, or control, or know that they have earned something that they can use in the future. The children and youth I have dealt with are living sort of for the immediate payoff, and the youth who are wealthier, and have a bank account set up for them, even when they have not earned, they have a sense of psychological security that there was going to be some money way up ahead that would make it possible for them to go to college, or make it possible to go on to technical school, or make it possible, if you like, just to take the cash out when they finished. It was an incentive, then, to continue and to learn.

So I would like to see much more thought go into how this could be used as an incentive.

My remarks earlier were that I thought children ought to be able to earn an income. I really believe that the time has come for that. Mr. Bowser said that if children came from families that were not working, that they had a history of not working and not earning a wage. I think that it is important to begin that wage experience in the first grade, where students can have an income and can have some discretionary income and some savings that they can use for the purposes that they need to use it for. So that we begin to break that tradition.

Mr. **Gray**. Thank you, Mr. Chairman. I have satisfied all my questions.

Mr. **Hawkins**. May I indicate, it seems there is not a fundamental conflict between Dr. Richmond's testimony and that of Dr. Ritter. As I understand it there is still basic support for the minimum wage. However, I think that in the case cited by you, Dr. Richmond, you indicate that we institutionalize the career structure, so that the individual starting at the lower wage will be receiving the difference in specific training, and to give him the opportunity to advance. This is different, I would assume, from what Reverend Ritter was indicating as basic support for the minimum wage.

It seems to me that there is a way of reconciling the two views, so that you do not support the idea for a proposal that is going to in some way give support to the exploitation of youth, rather than the development of youth. I don't see any basic conflict.

Mr. **Richmond**. The conflict is the immediate need of income of the family, as opposed to putting it all to the collection end. I think the youth should get full wage, and it might be a good idea, if we could afford it, to put some of that into savings which they can cash at a later time.

Mr. **Hawkins**. One of the great concerns of the committee is not only exploitation of the youth, but also that there not be a displacement of the adult in order to make room for the youth. We want the youth to be employed.

Mr. Myers?

Mr. **Myers**. Thank you, Mr. Chairman.

Mr. Finney, maybe you would like to answer this question, or anyone else who would like to offer their comments, I would appreciate it.

In title VI of the proposed legislation—title VI deals with the expansion of the apprenticeship program—it talks about shortage of occupations and also talks about underutilization of apprenticeship programs. Is there such a thing in the city as underutilization of apprenticeship programs?

It would seem to me that we would not qualify to participate in any of these funds, the $60 million. We have such a shortage of jobs in this area. I just want to have some comment on that, if you would.

Mr. **Finney**. I am not competent to answer that in the context of Philadelphia. I would throw in this point, however, that there are lots of new occupations in lots of new areas, where apprenticeship programs ought to be stimulated and ought to be developed. We are doing to a little bit of that on a demonstration basis now

I understand your problem, but I cannot answer it specifically. Perhaps Tom, or John Bowser can.

Mr. **Myers**. It seems to me that all of the various labor unions that have apprenticeship programs, they also have a tremendous amount of unemployment within their ranks. That is the point that I am making. How can you have a viable apprenticeship program, when you have no jobs to go to when you finish the apprenticeship program.

Mr. **Ritter**. Part of the problem is related to something that Mr. Bowser said. The distribution of unemployment is at a greater rate among minorities than it ought to be. The same statement holds when it comes to the number of apprenticeship positions made available to minorities is far less than it ought to be in the various unions crafts and skills area.

For example, one of the concerns we have is that the unions, which are primarily dominated by whites, do not make available a sufficient number of apprenticeship positions to minorities that they ought to make. Therefore, even when we construct a facility, and it is union labor, the contractors and subcontractors complain that they cannot find minorities, and they cannot find minorities because the minorities were not given an opportunity to get into the pipeline.

Rehabilitation is only one area, but the whole construction and mechanical engineering area is open to additional numbers of minority youth for employment, but you have got to be able to deal with the unions.

Mr. **Bowser**. I would like to make a comment with regard to this general question. I think I understand what Congressman Myers is saying, and in all probability if you were to count up the number of people who are already trained, and certified in a particular skill, and compare it to the jobs, you are going to have numbers of people who are going to be unemployed that are already trained.

I also understand what Reverend Ritter is saying, there is a history with respect to that, and so that you use that as a judgment that you never get minorities and Hispanic into that. I would like to tie that also to what I am saying.

I think that we have to stop looking so parochially at jobs within this political subdivision, or jobs within some other political subdivision. I would much prefer to be a certified apprentice plumber or carpenter unemployed and able to get on a bus, or a train, and go some place where there is a construction site, and maybe get a job, than to be an uncertified apprentice carpenter or plumber, untrained, and still unemployed.

So I think that if we look at this thing not so much that there is a union hall on Locust Street, and a job on 15th Street, but we develop the union skills for a country. Then, I think we are going to get a combination of what you are saying, and a combination of what the others were saying about this particular component.

Mr. **Myers**. I was basically referring to the question dealing with pockets of unemployment, such as we face in this city, and in other States; the city of Houston, for example, has an unemployment rate of below 3 percent, and we are about 9 percent here. So dealing with the pockets of unemployment is basically the question that I was addressing.

Mr. **Ritter**. I think that part of the solution will lie in moving toward the new, young growth industries, some of which are in this area, and some of which are not, and could be brought into this area. It also would relate, to some degree, in what public policy will do to lend itself to insure the participation of minorities in the growing industries, such as energy or conservation.

I also attempted to identify in my testimony that since Philadelphia is becoming a major service center, there is opportunity, I think, for youth to get involved in the service industry area to a larger degree than before.

Mr. MYERS. I agree very much, Reverend Ritter, particularly with your suggestion No. 5. dealing with an older city such as Philadelphia, whose industrial base is certainly dwindling, and the service industry looks more promising down the road.

Of course, your organization has been exploring those opportunities, and training people in that direction, which you are certainly to be complimented on.

For instance, the clothing and textile workers, many of whom reside in my congressional district, 15 years ago there were 40,000 people employed in that industry, and today it is around 67,000. So the experience that we have gained over the years indicates that we have to look for new directions as far as opportunities. I appreciate what you and your organization have been doing.

Mr. FINNEY. Speaking more generally, and I did not respond to the specific of Philadephia, because I do not know them that specifically, but I would make two points. It is not only, as Reverend Ritter just said, in the new areas, but there is also a problem of replenishment, which we in our work are finding.

For example, in the metal trades and machinery industries, in such divergent locales as Cleveland, Ohio, and major portions of Connecticut, you now have a sudden realization that the unionized work force is in the 55 range and aging, and the sudden desire on the part of both management and labor to replenish those ranks, and to go in the first instance to minority personnel.

That is the kind of thing that I think might be served by this proposal in the legislation.

The other point that I would make, if you add up the number of agreements that have been struck on major public works, and other kinds of activities, our own tunnel here in Philadelphia, the agreements to employ minority personnel in a variety of crafts, I suspect that if you added up the number of those agreements involving the use of Federal funds to build this and construct that, you would find a very real reason to add to the ranks of minority workers, and indeed under the law are supposed to.

Mr. MYERS. Thank you.

Thank you, Mr. Chairman.

Mr. BOWSER. Mr. Chairman, may I say just one more thing?

Mr. HAWKINS. Mr. Bowser?

Mr. BOWSER. Thank you very much. I have one comment that I did want to make specifically relating to one of the provisions in the House bill 4465, and that is the proposed amendment to title III referring to the WIN program.

I think that the reality is that the Federal Government tends to look at AFDC and SSI as comprising the welfare universe, and that is not true. As unemployment continues to rise, you will find people on the welfare rolls, who do not have dependent children, and who are not eligible for SSI.

So as I look at this provision, I am concerned whether or not it would accommodate general welfare recipients who right now fall strictly on the responsibility of the State.

The other thing that concerns me is that whether it would be appropriate for the legislation to enact some safeguards to protect those volunteers from abuses that do occur with respect to the local administration. The abuse that I am referring to is the cutoff of the welfare payment, the inability to get the welfare payments reinstituted should a person want to withdraw from being a volunteer, the lack of supportive services if you do have dependent children, what about day care, what about some transitional increase in the grants so that people can go to and from job employment interviews, and such.

As I look at the analysis of this particular amendment, I did want to raise those concerns.

Reverend **Ritter**. Could I make one point, please sir?

Mr. **Hawkins**. Is it in relation to this point?

Reverend. **Ritter**. Yes, sir. It is tangential.

Mr. **Hawkins**. I wanted to comment on Mr. Bowser's point directly.

Reverend. **Ritter**. I am sorry.

Mr. **Hawkins**. But I will give you the opportunity to make your point.

Reverend. **Ritter**. You had better make your point.

Mr. **Hawkins**. I simply wanted to inform Mr. Bowser that this particular part of the proposal is somewhat limited. The issue being raised is addressed in the jobs component of the welfare reform package. I think that the subcommittee's reasoning is very close to the statements made by you.

We view the problem as something larger than the AFDC rolls, so that the jobs component of the bill that the committee has introduced is somewhat in contrast to what the administration is proposing. It is much broader in its coverage. So I think that point is reasonably taken care of.

Mr. **Bowers**. The welfare recipients who volunteer, who are eligible.

Mr. **Hawkins**. There, the subcommittee's thinking is more in the line of entitlement rather than making the jobs available merely on the basis of how much money may be available. We feel that if welfare is going to be reformed, the jobs are going to be virtually required, an individual should then obtain an entitlement right rather than be subjected to all of the problems that relate to individuals getting on and off the welfare rolls.

The thinking of the committee is very much along that line. We certainly appreciate the support that you have given to that idea.

Reverend. Ritter?

Reverend **Ritter**. Thank you, Mr. Chairman.

I mentioned in my testimony about the need for an intergovernment committee. I would like to cite an example of why I said that.

Along with the help of Mr. Bowser, and the Urban Coalition, and others, we have been attempting to effect some relationship and programs with the North-East corridor improvement project, and AMTRAK. Then we tried to work with ConRail.

We feel that public policy is not being carried out adequately within NECP or with AMTRAK or ConRail. Three blacks came to see me just recently, complaining about the racism and discriminatory practices that are being carried on by ConRail right now.

I think that if public policy can effect change in major employers such as ConRail, we will have another avenue for youth participation.

Mr. HAWKINS. The Chair personally appreciates the comment. I may point out that there is now pending in the Congress a bill introduced by Mr. Florio to look into the railroad industry. This happens to relate to the Milwaukee Railroad which will discontinue operations. The problem arises with what is to be done to then move those employees who will lose their jobs over to another operating railroad, which may be successfully operating.

The proposal to which I am referring has in it a provision which would nullify title VII, and the Executive orders relating to equal employment opportunities. This particular provision is merely a beginning of provisions that are going to mean the suspension or nullification of equal employment opportunities, which will be a double blow at minorities.

I point this out merely to indicate the seriousness of the situation. I think that the statement that you made really goes to that subject. It is a serious threat. It is not the subject matter for hearing this morning. So I am not going to indulge in that, but I point it out to show that there is some justification for the concern that you have expressed.

Reverend RITTER. Thank you.

Mr. HAWKINS. If there are no further questions, I wish to thank the members of this panel. They have been very helpful to the committee, and we certainly appreciate your testimony. We look forward, obviously, to a continuation of our communication with you.

The next panel is the Community Organizations representatives. If the following witnesses would come to the witness table.

Mr. Wayne Owens, executive director, Education to Work Council of Philadelphia; Mr. David Fattah, founder, Youth Employment Coalition; Mr. Robert Robinson, executive vice president, Negro Trade Union Leadership Council; Mr. Robert Sorrell, president, Philadelphia Urban League; and Father Joe Kalaec, president, Philadelphia Council of Neighborhood Organizations.

Mr. Owens, since were the first called, we will hear from you first.

[The prepared statement of Wayne Owens follows:]

PREPARED STATEMENT OF WAYNE L. OWENS, EXECUTIVE DIRECTOR, EDUCATION TO WORK COUNCIL OF PHILADELPHIA, INC.

Good Morning! I appreciate the opportunity to share some reflections with you growing out of a decade of working with youth in schools as community affairs manager of General Electric Co. in Philadelphia. For the past two and a half years, I have been on special assignment from G.E. to develop and direct an effort in working with planning, coordinating, bringing together the several partners involved with helping people (especially youth) move successfully from education to work. My name is Wayne L. Owens and I am the executive director of the Education to Work Council of Philadelphia.

When the National Manpower Institute, under contract to the Department of Labor, developed the Work Education Consortium project, locally controlled and individualized efforts at collaboration were undertaken in 33 locations around the U.S. In each location, the notion was to build on whatever was already underway and to move forward in an expeditious manner to elicit new efforts of cooperation and dialogue among those serving youth in schools and youth who had left schools. All of whom were seeking employment.

In Philadelphia the effort was launched as a Committee of the Mandated Advisory Council on Career Education and emerged 1 year later as the Education to Work Council of Philadelphia, an organization whose board of directors reflects equal numerical representation between labor organizations, industry and community-based organizations. Representatives from government agencies and secondary and post-secondary educational systems, as well as groups from the public-at-large concerned with youth employment are also included on the board of directors.

The Education to Work Council of Philadelphia (EWCP) does not operate programs, in the sense which its members do. It seeks, rather, to provide a non-competitive neutral vehicle for the encouragement, planning and development of youth employment projects. When there are funds to be sought, EWCP brings together a proposal team which examines the most viable among its agencies to bid on these funds and assists in that process, rather than seeking program funds for EWCP. In its first year, this approach helped to develop the YWCA's "prove program" which it training 100 young (in-school) young women in such non-traditional careers as sheet metal/welding, graphic arts, construction skills and automotive mechanics/repair. The training is taking place at the Randolph Skills Center of the school district of Philadelphia in cooperation with the Division of Career Education.

The council has also worked closely with our "prime sponsor," the Philadelphia Area Manpower Planning Council (AMPC) in planning, proposal development/review, technical assistance and external communication regarding youth employment programs sponsored by CETA funds. A representative of the AMPC has served from the Council's inception on its board of directors, as has the Director of the City's Youth Services Coordinating Office (YSCO) and the Coordinator of Youth Programs for the Pennsylvania Bureau of Employment Security (Philadelphia office).

EWCP operates a CETA program-operators' task force on a monthly basis to provide for mutual assistance and sharing of experiences by program operators. And the technical assistance requested by the operators in the various areas which their experience indicates the need for added assistance and understanding.

Over a dozen career-education/youth-employment programs being operated by privately-sponsored not-for-profit corporations in the City of Philadelphia serve thousands of youth in city schools, generating private support in the hundreds of thousands of dollars every year. These groups gather monthly to exchange information and mutually encourage one another in their efforts as part of the EWCP originated and operated Career Education Roundtable. The groups include such professional target areas as: engineering, medicine, law and business administration. Others in the roundtable provide skills training in such areas as: automotive repair, electricity, graphic arts and construction work. As the Career Education Roundtable (CER) develops greater external communication about the programs they operate, the publicity will help them, in turn, generate necessary funds to continue their projects. Since most of the support, leadership (boards) and impetus for these projects comes from private sources, EWCP is examining possible hook-ups with Private Industry Council (PIC) resources. One major study is already approved by PIC to examine how the successful "academy" projects begun by industry in response to the challenge of the urban coalition can be replicated or expanded in Philadelphia schools to better prepare more youth for jobs with industry.

EWCP also examines barriers which arise or exist in the systems which move people between education and work. For many who have dropped out of school, GED has become the only reasonable available alternative. EWCP led an effort to secure State approval for a 3rd testing center to alleviate delays experienced by individuals awaiting opportunity to take the tests when backlogs developed as funding shortages temporarily closed some locations.

In the summer of 1979, representatives of over twenty (20) Education to Work Councils have formed a new corporation, the National Work-Education Consortium (NWEC). The group (incorporated in the District of Columbia) has accepted four initial functions: (1) Mutual assistance in "networking" of information about existing and planned programs; (2) technical assistance for new and existing councils; (3) solicitation of funds to undergird the work of existing councils in the NWEC organization; and (4) the shaping of public policy with regard to present and emerging legislation/regulations affecting people (particularly youth) in the transition from education to employment.

From the vantage point of executive director of EWCP (I do not speak officially for the EWCP) and as an active member of the area manpower planning council (Employment and Training Advisory Committee), the CETA youth advisory committee, chairman of the Summer Youth Employment Subcommittee for CETA, and an active member of the operating committee of the private industry council, I have a few observations to make at this hearing which I hope may be of value:

1. Multi-year funding and adequate lead-time are vital to success if any progress is to be made in improving training programs for youth. One thing unintentionally demonstrated by the original Youth Employment and Demonstration Projects Act of 1977 (YEDPA) is that the total machinery to deliver resources to locally operated programs is so cumbersome that much time is lost in the actual start-up of such programs. While the legislation was passed in August 1977, in most cases funds were not received by groups operating such programs in Philadelphia until February 1, 1978—if then. Meanwhile, information/feedback and the "knowledge development" process was to begin in the office of youth programs of the Department of Labor by March 1! With many, if not most, programs barely getting underway, the kind of information which can be fed back at such an interval is negative if not inconsequential. Unless programs are funded on a predictable longer-term basis we are doomed to repeat the mistakes of the last attempt to deal with youth unemployment. The testimony of both CETA contractors and not-for-profit programs for youth operated in the private sector indicates that the present short-cycle funding/termination of programs is inherently discouraging and self-defeating.

2. It is better to seek out well developed and established youth employment/career education programs with a good track record and fund them to continue successful efforts that it is to continuously seek to develop new agencies or to require existing successful programs to scrap what they are doing . . . and start new programs. Out national fascination with innovation has led us to abandon and discontinue numerous good programs in an endless quest for "seed money" for projects which will, in turn, be jettisoned for even newer and later projects.

3. In the field of summer youth employment, it is vital that Federal resources continue to be made available to urban, as well as less popluated areas. With special provisions and incentives being built in for these programs to grow out of and be connected to year-round programs to provide continuity, motivation and incentive for youth to connect what is learned in school and at work. Despite the widely publicized criticisms of the CETA summer youth employment program (SYEP), they provide a vital and important function. While it is true that mistakes are made and that 100% of the resources are not always successfully used to the best yield, it is also true that service-delivery agents are neighborhood organizations who have more knowledge of their youth than outside groups yet less sophistication in program design and operation. Critics need to remember that the reason to have SYEP is that most of the youths involved do not know how to work and the key is to get them acquainted with a structured work situation. To shut down or reduce further the SYEP would only exacerbate already difficult conditions in the Nation's cities.

4. Our impatience with the length of the transition time and unrealistic expectations of the private sector need to be reappraised. When all of us recognize that employers want "seasoned" employees who have mature career outlooks and good work habits. And that teen age youth complete at a marked disadvantage with youth in their twenties, we can plan a longer transition period with less false promises and frustration for all. It is a frequently unacknowledged fact by us who are involved with the pressures of meeting youth hopes for jobs in school or immediately upon graduation, that many teen youth are not settled in desire and/or readiness for a "permanent" job. This large part of the population will require longer Government-subsidized employment while they are preparing for productive employment. Transition periods for many will require three to five years of training and subsidized employment. And it is better to plan for that up-front than to fall into it with a series of short-termed cycles which generate renewed senses of failure instead of longer-planned readiness positive programs which cover about the same amount of time as college would for other youth.

5. The myth that most employers are eagerly waiting to replace competent experienced employees with Government-subsidized inexperienced and unskilled workers just to save money needs to be killed. The costs to most employers to make an unproductive/unskilled employee into a productively profitable worker will virtually always exceed any wage-subsidy available to employers, including TJTC. There is little change to move youth through the private industry council route into "permanent" private-sector employment unless there is the real and unfettered

opportunity for unskilled employees to have wage subsidies during the period until they can produce for the employer. SYEP placements must be allowed in private businesses for "real work". How much can be done in eight weeks? And employers need to be part of advance planning for SYEP to succeed.

6. Structures for cooperation between local areas and State agencies dealing with youth employment and training, including CETA, need vast improvement. Collaboration on an interagency basis in State government is just as important as it is at the Federal or local levels. Vertical collaboration between parallel agencies and local agencies is needed to make goals complementary in youth employment planning and action. Education to work councils can play a significant role in helping to being this about.

My thanks to the members of the hearing panel and the Subcommittee on Employment Opportunities for taking time to listen to the concerns and experiences of those of us in the various sections of the country. It is not only refreshing to believe that someone cares about local opinions, but also to feel that someone is listening who will carry these concerns back to Washington and translate them into appropriate settings for action.

Respectfully submitted,

WAYNE L. OWENS,
Executive Director.

STATEMENT OF WAYNE OWENS, EXECUTIVE VICE PRESIDENT, EDUCATION TO WORK COUNCIL OF PHILADELPHIA

Mr. OWENS. I appreciate the opportunity to share some reflections with you, which grow out of a decade of working with youths in schools, and community agencies, as community affairs manager of the General Electric Co. in Philadelphia.

I might say that I am still employed by General Electric, and that I am on contract in relationship with the Education to Work Council, so that I bring some perspective of the private sector in the dialog this morning.

The National Manpower Institute had the contract with the Department of Labor to develop the work education consortium project. Locally controlled and individualized efforts at collaboration were undertaken at 33 locations around the United States. The key was to build on whatever was already underway, and to go forward in an expeditious manner to try to get new efforts of cooperation and dialog among those working with youth, both in school and those who had left school, all of whom were seeking employment.

In Philadelphia, the effort was launched as a committee of the mandated Advisory Council on Career Education, and emerged 1 year later as the Education to Work Council of Philadelphia, an organization whose board of directors reflects equal numerical representatives of labor organizations, industry, and community-based groups. We also have representatives from government agencies, and secondary and postsecondary educational systems.

It is in the character of the work of the Education to Work Council not to operate programs. As a matter of fact, almost every person testifying here this morning, with the exception of the president of the city council, their agencies are a part of the Education to Work Council as you see from our letterhead. We provide a kind of noncompetitive and neutral vehicle where people meet regularly to strategize, and to look at problems in the field of youth employment, looking at how we can actually move forward and new ways of doing it.

In the interest of time, I am going to bypass parts of my written testimony, and just mention a couple or three things that we do that will give you a feel for the cross-sectional nature of our work.

We operate each month a CETA program operators' task force to provide mutual assistance and sharing of experiences, as well as technical assistance as requested by the operators of these programs. This includes all of the YETP, the YCCIP, and a number of other individually sponsored programs under the discretionary grants.

There are also more than a dozen career education programs in the city that are privately sponsored, and some of these are very major in their scope, involving hundreds of students, and hundreds of thousands of dollars. We have brought them together in a career education roundtable, so that again they can share not only their experiences, but their goals. This is particularly important in light of the growing emergency of the Private Industry Council, because the groups that are in the career education roundtable drew their initial support and impetus from industry, and with the investment of industry in these groups I think there can be new sources of funding there, which can enable some of those projects to grow in ways that they have not previously done.

We also look at and address major barriers in the field of education and work. I make reference in the testimony that is written to work to improve the GED program, and other activities of this nature.

I might just mention, for the record, that in summer of 1979, a maturational development took place with the formation of the national work education consortium. Having been a project, the groups elected to incorporate and have undertaken four basic functions:

Mutual assistance in networking of information about existing and planned programs;

Technical assistance for new and existing councils;

Solicitation of funds to undergird the work of existing councils in the NWEC organization;

The shaping of public policy with regard to present and emerging legislation/regulations affecting people, particularly youth, in the transition from education to employment.

From the vantage point of executive director of the council, and I do not speak officially for the council, and as active member in the Area Manpower Planning Council, and I am talking about the Employment and Training Advisory Committee, the CETA Youth Advisory Committee, chairman of the Summer Youth Employment Subcommittee for CETA, and an active member of the operating committee of the Private Industry Council, I do want to make about three or four observations that I hope will be of value.

I am concerned that multiyear funding and adequate leadtime are vital to the success if any progress is to be made in improving training programs for youth. One thing that was unintentionally demonstrated by the original YEDPA bill is that the total machinery to deliver resources to locally operated programs is so cumbersome that much time is lost in the actual startup of such programs.

Also legislation was passed on August 1977, in most cases funds were not received by groups operating such programs in Philadelphia until February 1, 1978, if then. Meanwhile, the information/feedback and the knowledge development was due to begin in the Office of Youth Programs of the Department of Labor by March 1, 30 days later. With many, if not most of the programs, barely getting underway, the kind of information which can be fed back at such an interval is negative, if not inconsequential.

Unless programs are funded on a predictable longer term basis, we are doomed to repeat the same kind of mistakes that we undertook in the demonstration bill.

The testimony of both CETA contractors and the not-for-profit programs for youth operated in the private sector indicates that the present short-cycle funding termination of programs is inherently discouraging and self-defeating.

I commend the reference to 3 years in the bill, but I would urge that programmatic connection be made with the possibility of a single program being funded for that same 3-year cycle in some predictable way. There is a difference between money in succeeding years being available, and a program being able to be funded over a longer period.

Second, it is better to seek out well developed and established youth employment/career education programs with a good track record, and fund them to continue successful efforts, than it is to continuously develop new agencies or require existing successful programs to scrap what they are doing, and start new ones.

Our national fascination with innovation has led us to abandon and discontinue numerous good programs in an endless quest for seed money for projects that will, in turn, be jettisoned for ever newer and later projects. This bothers me greatly.

Third, in the field of summer youth employment, it is vital that Federal resources continue to be made available to urban areas, with special provisions and incentives being built in for these programs to grow out of, and be connected to yearround programs to provide continuity, motivation, and incentive for youth to connect what is learned in school and at work.

Our impatience with the length of the transition time and the resulting unrealistic expectations of the private sector also need to be reappraised. When all of us recognize that employers want seasoned employees, who have a mature outlook, good work habits, and that teenage youth compete at a marked disadvantage with youth in their twenties, we can and must plan a longer transition period, with less false promises and frustrations for the young people.

It is a frequently unacknowledged fact by us who are involved with the pressures of meeting youth hopes for jobs in school, or immediately upon graduation, that many teen youth are not settled in their desire, and readiness for a permanent job. This large part of the population will require longer Government-subsidized employment, while they are preparing for productive employment.

Transition for many will take from 3 to 5 years of training and subsidized employment. It seems to me that it is better to plan for that up front, than to keep having to fall into it accidentally, and just bump people from one program to another, with the kind of frustration that is build in there, and also the resulting cost increase.

In a certain sense what we are saying is that there is a period of time for the non-college-bound youth that would be almost parallel in the length of preparation for work that is also part of the college bound.

It is a myth that employers are eagerly waiting to replace competent and experienced persons with Government-subsidized, inexperienced, and unskilled workers just to save money, and it needs to be killed.

I see from working with employers, and trying to get them to take youth in, and work with career education programs over the last decade, that there is a real interest in doing this, but there is a real reluctance in terms of bringing young people into the work force directly The cost to most employers to make an unproductive and unskilled employee into a productively profitable worker will always virtually exceed the wage subsidy available to the employers, including the targeted jobs tax credit.

There is little chance to move youth through the Private Industry Council route into permanent employment unless there is a real unfettered opportunity for unskilled employees to have wage subsidies during the period that they cannot produce for the employer. Summer employment placement must be allowed in private businesses for real work. My question, of course, is how much can be really accomplished of the summer program. Employers need to be a part of that advance planning.

The last observation I would make is the structure for cooperation between local areas and State agencies dealing with youth employment and training, including CETA, need vast improvement.

Collaboration on an interagency basis in State government is just as important as it is at the Federal and local levels, and you make reference to that in the bill. Vertical collaboration between parallel agencies and local agencies is needed to make goals complementary in youth employment planning and action. Education to work councils can play a significant role in helping to bring this about.

I might just remark that this summer, the State of Pennsylvania had about $1 million for State summer CETA jobs that was farmed out by the Pennsylvania Department of Transportation in terms of both Pittsburgh and Philadelphia. The resultant number of jobs for those urban areas was less than 25 for both cities, because the formula was based on the amount of road mileage in each county in the State. As worthy as the need for good roads is, it did not address the problem of the cities at all.

I appreciate the chance to share with you, and also to feel that somebody is listening and carrying the opinion of those of us out here in the boondocks back to Washington. With that I will conclude.

Mr. HAWKINS. Thank you, Mr. Owens.

The next witness is Mr. David Fattah, founder of the Youth Employment Coalition.

STATEMENT OF DAVID FATTAH, FOUNDER, YOUTH EMPLOYMENT COALITION

Mr. DAVID FATTAH. Thank you, Mr. Chairman.

I understand that we are in a time bind, but I would be remiss in my responsibilities if I did not welcome everyone here as the founder, along with Mr. Black, and Sister Fattah. I would like to welcome everyone here, and I would like the Congressmen to know that we deeply appreciate having this hearing here today.

I think that it is the first time that Philadelphia has been able to host a congressional hearing on youth unemployment, although Pennsylvania is first in unemployment, if you want to exclude Alaska.

Mr. Hawkins. The Chair would like to commend you, Mr. Fattah, as the founder of the Youth Employment Coalition. Several references have been made to the coalition this morning, and warm praise has gone out for the work that is being done. The committee is well aware that you and Congressman Gray are largely responsible for having the committee come to Philadelphia, and participate in these hearings.

We respond to your very warm welcome by saying that we are thoroughly enjoying it, as well as learning a great deal by being here.

Mr. David Fattah. Thank you.

I would also like to give a special thanks to one of the staff persons of our Congressman, Reverend Gray, that person being Claudia Ferris, who I think did a fantastic job in getting us all here together.

With that, the only thing I will get into next is our slogan, and the objectives of the Youth Employment Coalition. I will then go right into a critique of the bill 4465.

Our basic philosophy is, although we are emphasizing youth, because that is where the brunt of the problem has decided to reside, we are concerned as American citizens that the Employment Act of 1949 finally needs to be implemented. That is, that every American citizen who wants a job, should be able to have one.

Second, in terms of the philosophy of this organization, since we are aware that there is a relationship between politics and economics, no jobs, no votes. With that, I will get into a critique of title.

One of the things that we found, and we were concerned about, we think there are certain areas that we think when bills are passed there is a certain amount of give and take. But there are certain areas in the amendments that have been made that we feel are not compromisable. There are certain areas that you have here that we firmly believe are critical, and should not be waivered upon, even if the rest of it has to go out the window. I would just like to speak to those particular parts, so that we know and understand what we are fighting for to see that if nothing else, this stays in the bill.

The first one is title I, the amendment to title IV of CETA, reduction from 85 percent to 70 percent of the GSL. This is very critical. We hope that you can keep that in there.

The other thing that we would like to address ourselves to is the Jobs Corps portion, because as you know Philadelphia at one point was being considered for a Job Corps site. It is just unfortunate that the site that was chosen, there was a conflict because the aged needed a place, and we refuse to have ourselves pitted against our grandparents. Therefore, the Youth Employment Coalition did not pursue the issue. But we are still seeking a suitable site, so that perhaps the Labor Department, yourselves, or whoever, can put a Job Corps site in Philadelphia.

We thought that this was particularly innovative. This would be like a day care job center, where the residents could come and leave. They would not have to stay there.

The other part that we think is very, very important is where you have lined out the 20 percent of funds could be used for youth who do not meet the criteria, necessarily, but face significant failure.

We feel this part is very, very important because, again, although there are many folks whose past income might be above the standards, particularly in an inflationary period, but these young people need that aid. The fact that we do not aid them, we will find them joined the group that you termed under class.

So we say that it is extremely important for these young people to feel that they do not have to be poverty stricken, you understand, to enjoy the benefits of their Government, which is the right to work.

The other one is title III, where it says that welfare parents under 22 can receive training and still remain on welfare. That is very, very important, because that shows that someone has finally recognized that babies are having babies, and as such they need a job.

I think that it also addresses an issue that is raised in Pennsylvania, a myth which is that able bodied people are on welfare. The only able bodied people on welfare are the ones who sit in the Government houses, or in gubernatorial mansions and make whimsical decisions affecting masses of our people

Third, title V, the amendment to the Wagner Trust Act. That is extremely critical. That is one of the few areas where they have recognized the need to merge reality with what I would like to call another mythology. That is, you constantly tell our young people that if they go to school, and if they are good in school, they will get jobs. But this is not the case. In fact, we have young people who have gone to college who cannot find employment, and fall into the category of youth.

So whereby you are able to get the type of expertise in the Labor Department, or wherever, to go over the curriculum in a high school, so that this curriculum is congruant with the economical, employable situation that they will find when they leave high school is extremely important. It is extremely important in keeping our youth in school.

So those particular areas of the bill, we are hoping that you will fight for. We are hoping that they don't take that. We also know that we need more, but right now we just want to react to what is.

We are very upset that at this time of hardship that there is anyone who has a windfall profit to be taxed.

In terms of one last issue of values, the composition of our society. I can only direct the committee's attention to a hearing that was held here on February 17, 1978. This particular hearing was before the Committee of the Budget of the United States Senate. I would like to suggest that this be placed in the record at some time, but I am not going to do it now. But there is a portion here that came from a professor of the Wharton School, which I think would be appropriate to kind of give direction to what we are going to have to do. I will just read that:

> Black teenage unemployment rate has been above 25 percent for each of the past 20 years. At no time since 1958 has the unemployment been below 25 percent, and half the time it has been higher than 30 percent. Conversely, at no time in the last 20 years has the unemployment rate among white teenagers been higher than 17 percent.

At the risk of being called a racist, or somebody who is against or for discrimination in reverse, or whatever they have got going now, I think that that has to be taken into account when we are going around dealing with the problem of youth unemployment.

I also hope that you will take the message back to whoever it needs to be taken to that the citizens of Philadelphia fully support CETA. Despite the fact that $10 million went back, that was not our fault. We did not have any control over it. We hope that we will be reconsidered next year, because we will have a new administration one way or the other.

So we are hoping that we will not be penalized for the mistake and ignorance of those that have gone before and their insensitivity. You can see that this gets me kind of upset.

As part of our group, we have a youth movement to clean up politics, and it is lobbying at the local level, and at the State for legislation such as you have proposed. The Urban League is here, and they are very vocal and articulate. I am sure Mr. Sorrell can speak for them. The Parkside Association has been working in conjunction with the WIN program.

The Philadelphia employment project is probably very happy today. I saw John Dodds in here. This [illegible] the first time that the grassroots have been able to bring Congress to us, instead of us manning buses, and whatever we can get our hands on, and go on down to Congress to tell you our problems.

Again, we appreciate your coming here. I am sure that if John has the opportunity, he certainly will make his position clear on some of the workshops. Workfare, that is a contradiction in terms.

The other group that we have is the Youth March for Jobs, and it is a self-help center. They have CETA-trained-youth rehabilitate houses.

This ties in with one of your titles where you suggested that there is a greater need for interagency coordination. That has got to happen. The right hand has got to know what the left hand is doing, and the mind must begin to focus on the problem of unemployment, which threatens to tear this country apart.

The next person, Father Kakalec, he is the president of the Philadelphia Council of Neighborhood Organizations. He is a very articulate person, and I am sure he can show not only the secular inspiration, but he may have some words from the other side, too.

As for the House of Moses, although our founder and president is here, I would like to thank the coalition for allowing me to bring the message, but I would be remiss, and would probably get kicked out if I did not mention what the House of Moses has done.

It has hired over 300 youth. We have conducted workshops on employment. We have participated stringently in our summer program hire, and youth readiness seminars. We are one of the few people in the State of Pennsylvania who run an ex-offender program, which the Secretary of Labor smiled upon. This is mainly what the House of Moses is doing.

We have a couple of recommendations. I will not read them all. I will read the most glaring ones.

The first one is that we recommend—as I said, it gets kind of rough. In one of the multimeetings we were having about not getting the jobs, and people having to borrow a car to get to the meetings, somebody jumped up in the middle of the meeting and said: "Are you for real?" There was silence, because we could not answer it. That is one of the problems with the training programs. When it is over, the question comes up again, "Are you for real?" There is silence, and they have to go back on welfare.

So I am hoping that we find an answer to that question. We would also hope that anyone here who is a part of a minority caucus, such as the Black Caucus, or whatever other groups you have in the Democratic Party, will provide help to grassroots organizations to lobby nationwide, so that we can go around the country and mobilize other grassroots folks. In the past we have been getting shot down by the rural areas. We have been getting shot down by people in the surburban areas because we are not in a position of lobbying. We are not able to go around the country and get people to vote for us.

The other thing that we need badly is technical assistance grants to be made, so that the people at the grassroots level can also write. I notice that you have put in your proposal $50 million for grassroots development projects, ongoing projects, but we do need technical assistance to take advantage of that.

Lastly, I would like to leave you with what we think is a few things that you should do.

One, a joint committee should be formed that is bipartisan and biracial, or whatever, that gets together just to focus on this bill. To push the politics on the side, and say: "Hey, let's put America back to work." This should be from the Senate to the Congress, and bring that right on down to the local level.

We feel that the unemployment problem has been put on the backburner because it has not been properly defined. We feel that it is necessary to get one definition of who is unemployed, how many people there are, and what point in time we plan to bring the unemployment rate, not down to the 4 percent, but down to zero. Zero means none. Not 5 or 6 percent, because if these figures are around, it means that the people on the bottom are ignored in terms of the labor market.

Lastly, again, we would like to thank you for coming here, and that is all you are going to hear from me for right now.

Mr. HAWKINS. Thank you, Mr. Fattah, for a very articulate and very directed statement.

The next witness is Mr. Robert Robinson, executive vice president, Negro Trade Union Leadership Council.

You may proceed; Mr. Robinson.

[The prepared statement of Robert Robinson follows:]

PREPARED STATEMENT OF ROBERT J. ROBINSON, EXECUTIVE DIRECTOR, NEGRO TRADE UNION LEADERSHIP COUNCIL, PHILADELPHIA, PA

Mr. Chairman, members of the subcommittee with your indulgence I would like to preface my comments by a few remarks relative to the activities that NTULC is currently administrating; and in particular, those projects geared towards alleviating youth unemployment. NTULC has established a successful track record in employment and training opportunities for young people beginning in 1968 with our Apprenticeship Outreach Program and expanding into vocational exploration and career awareness projects that are presently being implemented. We began our first school to work transition program in 1973, several years before national attention began to focus on these types of altenatives. Each year we successfully serve over 2,000 young people between the ages of 16 and 24 in our multipurposed programs. These young persons are exposed either to work experience projects, on the job training programs, classroom training including G.E.D., and many other supportive type activities. Over the past decade we have been able to develop a keen insight into what makes a successful program and what determines a successful product. We have been able to assess, with some reservations, why one person will succeed and why another cannot. There are many variables that effect that statement and I would not be that egotistical to declare that we have only known success stories. However, we can say with certainty that there are certain humanistic factors which surface throughout all of our diversified programs, that rings a warning bell. There seems to evolve a certain cadre of people who do not, cannot, or will not succeed.

A certain element of employment and training activities seems to be missing. This element which does not address the problems of this cadre within any targeted group. This may not necessarily be the fault of program operators but may well rest primarily on the way CETA regulations are structured and in the manner that most prime sponsors interpret that regulation. Interpretation is the key word because many of the regulations are ambiguous and can be interpreted one way or another. A good example of this is why the implementation of a summer program in one city can be a disaster, yet in another, most effective and meaningful.

While we do not wish to be redundant in talking about the problems of youth unemployment we think it is necessary to make a few comments. Recent statistics of our minority populations have determined that 50 percent of males and 60 percent of females between the ages of 16 and 21 are out of work. There are many reasons which are contributory to this phenomenon—as many people here are aware—including among others the decline of semi or unskilled job opportunties, increased minimum wages, reduction of personnel in the armed forces, and the flight of industry to the suburbs or to the sun belt. In our opinion, and just as important, is the mismatch that seems to exist between basic educational competencies and entry level requirements for inner-city jobs. We believe that everyone in this room could venture a different opinion on why this deplorable unemployment among blacks exist, including discriminatory practices leveled at our youth. The passage of the Youth Employment Demonstration and Projects Act was a recognition that the programs of the past have not been adequate and that we really didn't know what to do about youth unemployment. YEDPA provided a diversity of innovative and alternative program mixes, that hopefully, would discover what worked best for whom and under what conditions. The bottom line benefit of YEDPA would be in the knowledge gained as a result of trying out these different approaches in different communities. While it is still too soon to evaluate the effectiveness of some of these demonstrative projects we still strongly favor the continuation of that funding which can be a very effective planning instrument. However, it still remains that the United States is on the verge of carrying into the 1980's the same crucial problems that faced the nation since the great depression of the 1930's. The problem of joblessness among inner-city, largely minority, youth out of school.

Searching for a job as an inner-city minority youth is often a trying, time consuming and frequently haphazard process resulting in unsuitable employment. Youth who often lack both job seeking skills and accurate assessment of their marketable skills can slip into an early pattern of frustration and disenchantment with work that can have a lasting impact on their attitudes towards working. Many of these for the most part become discouraged workers—those who don't normally show up in the labor force statistics. Therefore, labor force participation seems to be increasing with whites and decreasing with blacks, because of the successful perception by white that continued search procedures are useful, and the perception by blacks on the other hand and to the contrary, that it doesn't seem to lead anywhere. This has contributed to the growing factor, that many young minorities who come out of the school system, have to go into government manpower programs in order to improve their employment opportunities. Again there seems to be a missing element that brings about this negativism.

Many criticisms have been leveled at youth training programs as well as manpower training programs as a whole with much of it coming from the United States Congress, questioning any measurable or substantial outcomes. In fact it was Congress' recent enactment of new legislation this year that put a limitation on the number of months a participant could be enrolled in a CETA funded program. While we recognized that the immediate concern of Congress was to remedy abuses discovered in Title VI Public Service Employees activities, the effect was impacted across all CETA titled projects. It immediately eliminated the "treadmill program participant" who would continuously go from one program to another for the sake of obtaining training wages or stipends. The participant who was never really ready for unsubsidized employment. Yet not one voice was raised to question why that participant never left the sanctuary of government funded programs. It was assumed that it was just a con game and another version of the welfare scam—another stereotype of the disadvantaged minority. Or was it some missing element in those programs that did not encourage that participant to seek employment on his own.

There have been several references made to an elusive "missing link" in the context of our presentation. A missing link we have acknowledged in some of the programs that we administrate; a missing link we believe has taken many of our young minorities out of the job market by their frustration and discouragement, thereby, widening the gap between white and black youth unemployment; a missing link that perhaps attributed to the reasons why Congress limited participation by individuals in CETA funded programs. We suggest this "missing link" has been pre-job preparation coupled with antitudinal and motivational training.

Because most prime sponsors interpreted youth programs to mean work intensified—in other words; the more kids you put to work, the better the statistics look—there are no funds available for needed supportive services. Many projects created "make work" situations not really predicated on labor market demands or forecasts and generally offered little marketable skills. The hypothesis seemed to be—since federal dollars are limited, then put as many young people to work as we possibly can. This is ironic since the major good which underlines the enactment of YEDPA is to provide an opportunity to develop knowledge for future use in setting more refined and effective long term national policies. However, in accepting this new hypothesis, you must also accept a seemingly controversial parody. Is it better to reduce the number of youth that can be employed, with the option of giving them better supportive services for job competitiveness or continue to use the short goal method of putting as many young people to work as possible as the only programmatic way to combat unemployment? This is why many program operators, while recognizing the value of supportive services, cannot implement these activities because of the work intensity concept that makes funds restrictive.

It is widely accepted by those in the manpower field that self-awareness and self-esteem seems to be a constant common denominator, infiltrating every reference made, relative to job preparation and job retention.

In the final analysis a comprehensive motivational, attitudinal and pre-job preparation will be the key ingredient to the success of these people in desperate need.

We enthusiastically concur with some of the new amendments to the youth employment act of 1979 and in particular, endorse the Title VI reference to expansion of apprenticeship programs. We believe that the apprenticeship methodology offers the best possible training to unskilled persons. Education coupled with job skills generally achieve better results. Apprenticeship brings together in a common effort all segments of the economy to train the nation's youth and achieve a continuing source of skilled workers. It provides guidance and leadership to youth wishing to become skilled in their chosen trade. Equally important it provides a mechanism necessary to keep training practices abreast of changing industry needs.

In retrospect, NTULC would like to offer several recommendations that reflect some of our concerns. I would suggest that the language in the activities and services for training of the economically disadvantaged youth make specific reference to pre-job preparation, attitudinal, and motivational training for those persons who may benefit by these services. Secondly, we offer for your consideration, the establishment of a center in each prime sponsor's jurisdiction. This pre-job preparation center would accept those persons identified as needing these services from all agencies or organizations involved in employment and training programs. It is projected that this centralized concept would not only be less costly but would establish a central responsibility and assure conformity of services.

It is our considered opinion, based on over a decade in the manpower training field and the insight gained from that experience, the acceptance of these suggestions would infinitely benefit those persons who are the product of that "missing link." It is also our opinion that it is doubtful that a free and open democratic society can flourish when significant numbers of its people have no stake in its survival and no hope for the future.

STATEMENT OF ROBERT ROBINSON, EXECUTIVE VICE PRESIDENT, NEGRO TRADE UNION LEADERSHIP COUNCIL

Mr. Robinson. Thank you, Mr. Chairman, Congressman Gray, Congressman Myers.

I would like to preface my comments by two remarks relative to the activities of NTULC is currently administrating, and in particular those projects geared toward alleviating youth unemployment.

NTULC has established a successful track record in employment and training opportunities for young people beginning in 1968 with our apprenticeship outreach program and expanding into vocational exploration and career awareness projects that are presently being implemented.

We began our first school-to-work transition program in 1973, several years before national attention began to focus on these types of alternatives. Each year we successfully serve over 2,000 young people between the ages of 16 and 24 in our multipurpose programs.

These young persons are exposed to either work experience projects, on-the-job training programs, classroom training, including GED, and many other supportive type activities.

Over the past decade, we have been able to develop a keen insight into what makes a successful program, and what determines a successful product. We have been able to assess, with some reservations, of course, why one person will succeed, and why another cannot. There are many variables that may affect that statement, and I will not be that egotistical to decare that we have only known success.

However, we can say with certainty that there are certain humanistic factors which surface through all of our diversified programs, which ring the warning bell. They seem to involve a certain cadre of people who do not, cannot or will not succeed. A certain element of employment and training activities seems to be missing. This may not necessarily be the fault of program operators, but may well rest primarily on the way CETA regulations are structured and the manner in which prime sponsors interpret that regulation.

Interpretation is a key word, because many of the regulations are ambiguous and can be interpreted one way or another. A good example of this is why the implementation of a summer program in one city can be a disaster, and yet in another most effective and meaningful.

While we do not wish to be redundant in talking about the problems of youth unemployment, we think it necesary to make a few comments.

The passage of the Youth Employment Demonstration and Projects Act, with the recognition that the programs in the past have not been adequate, and that we really did not know what to do about youth unemployment, YEDPA provides a diversity of innovative and alternative program mixes that hopefully will discover what works best for whom, and under what conditions.

The bottom line benefit of YEDPA would be in the knowledge gained as a result of trying out these different approaches in different communities. However, it still remains that the United States is on the verge of carrying into the 1980's the same crucial problems that faced the Nation since the Great Depresson of the 1930's. The problem of joblessness among inner-city, largely minority youth out of school.

Searching for a job as an inner-city minority youth is often a trying, time consuming, and frequently haphazard process, resulting in unsuitable employment. Youth often lack both job seeking skills, an accurate assessment of their marketable skills, and can slip into an early pattern of frustration and disenchantment with work that can leave a lasting impact on their attitude toward work. This has contributed to the growing fact that many young minorities who come out of the school system have to go to a government manpower program in order to improve their employment opportunities.

Again, there seems to be a missing element that brings about this negative.

Many criticisms have been leveled at youth training programs, as well as manpower programs as a whole, with much of it coming from the U.S. Congress, questioning any measurable or substantive outcomes. In fact, it was Congress recent enactment of the new legislation this year that put a limitation on the number of months a participant could be enrolled in a CETA funded program.

We recognize that the immediate concern of Congress was the remedy of abuses discovered in the title VI public service employment activities. The impact was felt all across the CETA title projects. This eliminated the treadmill program participants who would continuously go from one program to another for the sake of obtaining training, wages, or a stipend.

The participant was never really ready for unsubsidized employment, yet not one voice was raised to question why that participant never left the sancturary of government funded programs. It was assumed that it was another con game, another variation of the welfare scheme, another stereotype for the disadvantaged minority. Was it that missing element in those programs that did not encourage that participant to seek employment on his own?

There have been several references made to an illusive, missing link in the context of this presentation. A missing link that we have acknowledged in some of the programs that we operate, a missing which we believe has taken many of our young blacks out of the job market by their frustration and discouragement, a missing which perhaps has contributed to the reasons why Congress limited participation by individuals in CETA funded programs.

We suggest this missing link has been prejob preparation coupled with attitudinal and motivational training, because many prime sponsors interpreted youth programs to mean work intensified. In other words, the more kids you put to work, the better the statistics look, and there were no funds available for this needed supportive training.

It is widely accepted by those in the manpower field that self-awareness and self-esteem seem to be a constant common denominator infiltrating every reference made relative to job preparation and job retention. In the final analysis, a comprehensive motivational, attitudinal, and prejob preparation will be the key ingredient to the success of these people in desperate needs.

In restrospect, NTULC would like to offer several recommendations that reflect some of our concerns. I would suggest that the language and the activities and services for training of the economically disadvantaged youth make specific reference to prejob preparation, attitudinal, and motivational training for those persons who may benefit by these services.

Second, we offer for your consideration the establishment of a center in each prime sponsor's jurisdiction. This prejob preparation center would accept those persons identified as needing these services from all agencies, or organizations involved in employment and training programs.

It is projected that this centralized concept would not only be less costly, but would establish the central responsibility and assure conformity of services. It is our considered opinion, based on over a decade in the manpower training field and the insight gained from that experience that acceptance of these suggestions would infinitely benefit those persons who are the product of that missing link.

It is also our opinion that a free and open democratic society can flourish when significant numbers of its people have no stake in its survival, and no hope for the future.

Thank you.

Mr. HAWKINS. Thank you, Mr. Robinson.

The next witness is Mr. Robert Sorrell, president, Philadelphia Urban League.

[Prepared statement of Robert Sorrell follows:]

PREPARED STATEMENT OF ROBERT SORRELL, PRESIDENT, URBAN LEAGUE OF PHILADELPHIA

Congressman Hawkins and members of the Committee on Employment Opportunities, I am Robert W. Sorrell, President of the Urban League of Philadelphia. The Urban League of Philadelphia is an interracial, non-profit, non-partisan community service organization using the tools and methods of social work, economics, law and other disciplines to secure equal opportunities in all sectors of society for black Americans and other minorities. Our mission is to eliminate discrimination and segregation in Philadelphia metropolitan area, increase the economic and political participation of blacks and other minorities and, in short, help all Americans share equally in the responsibilities and rewards of full citizenship.

We welcome this opportunity to express the Urban League of Philadelphia's view on the escalating and very grave problem of youth unemployment and to comment specially on H.R. 4465.

Because we represent a basic constituency that is both poor and black, we believe that the dimensions of unemployment, particularly among black youth is so pervasive that an overwhelming percentage of black youths are on the threshold of becoming adults less better off than their parents and other blacks who have been traditionally and systematically imprisoned for generations by poverty and despair.

The crisis of black youth has been made conspicuously visible by the massive numbers of youths male and female, who are unemployed. Their exceptionally high rate of unemployment as estimated by government statistics hovers between 35 and 40 percent. The National Urban League, using its hidden unemployment index, believes the actual unemployment rate to be closer to 60 or 65 percent. Whichever statistical sources is used, we all know the problem in human terms is far more extensive than numbers can convey, and much more damaging.

We think H.R. 4465 is an attempt to focus on employment options for those most in need. The stress on a work and education mix is appropriate as are efforts to increase training experiences, enhance the ability of youth to get permanent jobs, and measures to ease the transition from school to work. We also applaud private sector initiatives.

The Urban League of Philadelphia's efforts in youth opportunity have centered around our program of Job Readiness Clinics, an effort to help prepare students and young adults who are attempting to enter the job market and have limited job-getting skills. We have found in providing this service to 2,000 residents over the past two years, that job seekers come to us with severe handicaps. It has made us acutely aware of the necessity for a school to industry to community organization link in helping youth more successfully enter the job market.

Youth have also participated in our Manpower Development Program, a CETA-funded project to match unskilled workers with jobs in the private-sector. Again, the most important element of our work with youth has been to help them more effectively prepare to enter the job market. Most come with such limited skills, and knowledge of how to even look for jobs, fill out applications, in short, present themselves as serious and willing prospective employees. We feel that all programs for youth must more effectively stress cooperative efforts between school, place of work, and community.

We also specifically recommend that:

1. This legislation must create more effective relationships between employment sites and school to insure more adequately training and prepared youth once they leave school.
2. Personalized employability development plans for those in-school participants be coordinated with school personnel to more adequately assess future goals and possibilities for student enrollees.
3. Increased funds be utilized for youth who do not fit income standards, perhaps 25 to 30 percent, because of the significant numbers of youth who face other barriers to employment.
4. New initiatives in youth employment within Federal agencies be regularly evaluated to insure that youth receive work experiences which benefit their future work possibilities. Effective on-the-job experiences should lead to permanent jobs, not unemployment.
5. Age requirements for welfare parents should be extended to 25 years of age to increase the dilemma of those young parents with the least skills.
6. Apprenticeship program expansion must be tied to job placement and the real availability of jobs within the union framework. The key to successful apprenticeship training lies in the willingness of union officials to encourage youth involvement.

While we recognize that immediate steps must be taken to stem the tide of worsening unemployment of black youth, we think what is needed is a national youth development program. The reduction of unemployment alone will not solve the problems of black youth. To give youth a significant stake in society, the Federal government must design a policy which makes youth development a national priority.

Thank you.

STATEMENT OF ROBERT SORRELL, PRESIDENT, PHILADELPHIA URBAN LEAGUE

Mr. SORRELL. Congressman Hawkins, and members of the Committe on Employment Opportunities, I am Robert Sorrell, president of the Philadelphia Urban League.

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We welcome this opportunity to express the Urban League of Philadelphia's view on the escalating and very grave problem of youth unemployment, and to comment specially on H.R. 4465.

Because we represent a basic constituency that is both poor and black, we believe that the dimensions of unemployment, particularly among black youth, is so pervasive that an overwhelming percentage of black youths are on the threshold of becoming adults less better off than their parents and other blacks who have been traditionally and systematically imprisoned for generations by poverty and despair.

We continue to believe that America offers three options for survival: Work, welfare, or crime. I think the question to be answered is which one are we going to offer the youth of our society?

The crisis of black youth has been conspicuously visible by the massive numbers of youth, male and female, who are unemployed. Their exceptionally high rate of unemployment, as estimated by Government statistics, hovers between 35 and 40 percent. The National Urban League, using its hidden unemployment index, believes the actual unemployment rate to be closer to 60 or 65 percent. Whichever statistical source is used, we all know the problems in human terms are far more extensive than numbers can convey, and much more damaging.

In fact, we believe that we are on the verge of raising a second generation of youth that has never had, and may never be involved with the world of work. We think that H.R. 4465 is an attempt to focus on employment options for those most in need. The stress on a work and education mix is appropriate, as are efforts to increase training experiences, enhance the ability of youth to get permanent jobs, and measures to ease the transition from school to work. We also applaud private sector initiatives.

The Urban League of Philadelphia's efforts in youth opportunity have centered around our program of job readiness clinics, and effort to help prepare students and young adults who are attempting to enter the job market and have limited job-getting skills. We have found, in providing this service to 2,000 residents over the past 2 years, that job seekers come to us with severe handicaps. It has made us acutely aware of the necessity for a school-to-industry-to-community organization link in helping youth to more successfully enter the job market.

Youth have also participated in our manpower development program, a CETA-funded project to match unskilled workers with jobs in the private sector. Again, the most important element of our work with youth has been to help them or effectively prepare to enter the job market. Most come with such limited skills and knowledge of how to even look for a job and fill out an application, in short, to present themselves as serious and willing prospective employees. We feel that all programs for youth must more effectively stress cooperative efforts between school, place of work, and community.

We also specifically recommend that: One, this legislation must create more effective relationships between employment sites and school to insure more adequate training and prepared youth once they leave school.

Two, personalized employability development plans for those in-school participants should be coordinated with school personnel to more adequately assess future goals and possibilities for student enrollees.

Three, increased funds be utilized for youth who do not fit income standards, perhaps 25 to 30 percent, because of the significant numbers of youth who face other barriers to employment.

Four, new initiatives in youth employment within Federal agencies be regularly evaluated to insure that youth receive work experiences which benefit their future work possibilities. Effective on-the-job experiences should lead to permanent jobs, not unemployment.

Five, age requirements for welfare parents should be extended to 25 years of age to decrease the dilemma of young parents with the least skills.

Six, apprenticeship program expansion must be tied to job placement and the real availability of jobs within the union framework. The key to successful apprenticeship training lies in the willingness of union officials to encourage youth involvement.

While we recognize that immediate steps must be taken to stem the tide of worsening unemployment of black youth, we think what is needed is a national youth development program. The reduction of unemployment alone will not solve the problems of black youth. To give youth a significant stake in society, the Federal Government must design a policy which makes youth development a national priority.

Thank you.

Mr. HAWKINS. Thank you, Mr. Sorrell.

Father Kakalec?

STATEMENT OF FATHER JOE KAKALEC, PRESIDENT, PHILADELPHIA COUNCIL OF NEIGHBORHOOD ORGANIZATIONS

Father KAKALEC. I was inspired by David Fattah, so I think under his direction I have an obligation to quote something from the New Testament, and it seems to me that the most appropriate thing that came to mind was the passage from Matthew, and don't ask me the chapter or the verse—you know that Catholic priests don't know the chapters and verses. It goes something like this, "If you do this to the least of my brothers, you do it to me."

It seems to me that the youth are the least of our brothers, and specifically poor, young people are the least of our brothers. So with that, I would like to suggest two things in this act.

One is that I would like to see that one section under title II, or title VII of the amendments, where it says $50 million would be authorized for each year for demonstration community services projects.

No. 1, I would like to see that amount increased, because if you are talking about $50 million, when everything is distributed equtably, this is $1 million per State. Last year, Philadelphia did get $1 million on the CETA projects, so you can see that $1 million is not going to go very far in the State of Pennsylvania.

I would like it to read, if I may offer this as a change, that whatever the amount of money would be, it would be authorized each year for grassroots neighborhood organizations for demonstration neighborhood service projects.

The reason that I changed the word "community" to "neighborhoods," is because under the Community Reinvestment Act, there is a definition of the community, and the community includes five or six counties. So it seems to me that when you are talking about a neighborhood, even it still is a broad term, it is more specified and more specific. I would like to offer that as a change, that you do, in fact, directly fund neighborhood organizations. I think that this is crucial, and I will give you some of the reasons behind that.

The second thing, I would like to recommend that the programs in this act be extended or geared toward job availability in the city. It seems to me that if you are going to train coat pressers, or whatever the man said this morning, or I have a lot of contact with Amalgamated Clothing workers, they are in serious trouble of runaway shops. Mr. Dodds will get into this later.

There is no sense to train people to work in the textile mills, if they are all going down south. So what I think is needed also is some funding of programs that are imaginative. We are talking in Philadelphia of becoming a more service oriented city. It seems to me that you ought to be thinking about that for youth, and encouraging proposals of this nature, which would explore the possibility of these new jobs, and new types of jobs.

I do agree with Congressman Myers and despite that Mr. Finney is a very good friend of mine, I do not believe that the Center City Community Tunnel, which we opposed vehemently, is going to create that many jobs. I think last week a crash of the community rail line, and also the explosion of one of the substations is an indication of how badly we need money for a better transportation system, and not the tunnel, because I think that would move into the area of the electrical unions, the railroad unions, and so on.

So imaginative proposals, I would like to see.

Let me give you some of the reasons behind this.

We heard the city officials this morning explain their problems, and one of the most glaring things that David pointed out this morning is that $10 million of the CETA program had been unspent. What does that mean?

Originally the CETA program or the Area Manpower Planning Office planned for something like 5,000 jobs in that program. As of this date, only 52 percent of those jobs were filled, which means that 2,500 jobs were unfilled, and that is a serious problem in a city with 9.2-percent unemployment.

The thing is, my manpower people said the Comprehensive Employment and Training Act is kind of a misnomer because it really only does affect something like one quarter of 1 percent of the unemployment problem. There is no reason that it should not be refunded. I think, on the contrary, it emphasizes much more clearly now much we need this act.

I think the other thing the other reasoning, and the reason that I am giving you this is that I think it is time that neighborhood organizations become involved in job creation projects in their own neighborhoods.

I think, for example, if you say that the reason for this act is to keep kids off the streets, and not in trouble, or out of jail, I think that is a good beginning reason, but I think that we are only dealing with the symptoms here, and not the root of the real problem. So I think the programs, in many instances the neighborhood people know what the problems are.

In the past year, ARA services gave us a small grant, and we had a jobs preparedness program in six to seven neighborhoods, and we intend to do it in the future. The results of some of those programs were dramatic, where the kids were, in fact, taught by the people in their own neighborhoods. The program was set up by people in their own neighborhoods. It was run by these people, but with a small amount of money, they were trained for the job market. I think that this is extremely important.

Several years ago I was talking to now the head of the Public Utilities Commission, Mr. Wilson Goode, and at that particular time he was working for PCCA, which is the Philadelphia community program for community advancement, I don't really know what it was called, but in essence they packaged housing programs.

He said, what is absent here is the piece that is down on the neighborhood level. He said, if you don't have the expertise in the neighborhood yet, so that people can turn around and put a program together, that I can use and get funded, and get the program started.

You see, unfortunately, the only time that we in the neighborhoods are listened to is when we start yelling and screaming, and jumping up and down, and criticizing. Some of the officials, some of the people in power will say: "That is all you ever do. You never come up with anything constructive."

As was mentioned earlier, we do not have the expertise. We don't have the technical assistance. We are always told that we do not have the intelligence, or that in fact we are going to steal the money. I know one group that offered a proposal to develop a credit union under CETA, and the reason the proposal was rejected—I am sure there were other reasons, too—was: "We don't trust neighborhood people—once they start making money, they will steal it."

I can open every page of every newspaper each day to show where this is not an uncommon occurrence, and that we all put our hands in the till. All I am saying is that I don't think that it is a reason to reject an imaginative program. I think that that is the point.

I think there are some other things here. I get concerned, belonging to an organization that prides itself on being an educator, the Jesuits, that I think the school system should be gearing itself to offering quality education to the youth, so when they do come out they do have the ability to think for themselves and look around, and maybe come up with some other imaginative ideas.

I get concerned when the educational system, namely, the school system, begins assuming many of the programs in terms of training youth that really should be done by the people in the neighborhoods. You might say, there is nobody else to do it, but I don't think that that is true.

I am saying that there is a whole area, namely, the neighborhood organizations themselves, which never really have been given this opportunity. We all come from neighborhoods. It seems to me that we are all the same types of people. I don't see you can prevent this, and say that they are incompetent.

I am concerned about this issue of constantly taking the educational system, or moving away from giving a good education to the youth, and getting into all of these programs. I think that they should be done by neighborhood people who know their own children, who know what they need, and who could develop them.

I would like to stop here. There are many other things that I would like to mention, but those two points are coming out of a lot of experience that we have at the Philadelphia Council, which is your coalition of neighborhoods groups throughout the city of Philadelphia, from every race, and religion, and neighborhood in the city of Philadelphia.

Thank you very much.

Mr. **Hawkins**. Thank you, Father Kakalec.

Mr. Gray?

Mr. **Gray**. Mr. Chairman, I find myself in such agreement with many of the views that have been expressed by the panel, that I really have no detailed questions.

I would like to say with regard to what Father Kakalec has said, I too agree that in some way we have to get the labor market intermediaries and the neighborhood organizations involved. What many of you represented on this panel have shown is that the work can be done effectively at the community level, at the grassroots level. I certainly support the concept of the Federal establishment looking more and more to organizations such as labor market intermediaries, neighborhood organization, to help in the monumental job of dealing with the problem of unemployment.

I would also agree with Mr. Owens' point, the funding schedule. As one who currently served on the Conference Committee of the U.S. Budget, one of the debates that we had last week was the discrepancy in the statistics between the House and the Senate over the necessary funding levels for the Comprehensive Employment and Training Act. We recognized that some of the funding schedules caused the economic indicators to be quite different, and we carried over figures of money that was available, but simply because of different schedules in localities, and also from institutional groups were quite different.

So with those comments, Mr. Chairman, I would like to yield back the balance of my time to yourself, and my colleague, Mr. Myers.

Mr. **Hawkins**. Mr. Myers?

Mr. **Myers**. Thank you, Mr. Chairman.

Mr. Robinson, I would like to ask you a question that is related to your testimony. You suggest in your testimony the establishment of a center within each prime sponsor's jurisdiction to compile all the necessary information from the various organizations that have that data available for future job reference.

Are you talking on the national level, or the local level at that point?

Mr. **Robinson**. I was referencing the local level, and in particular the kinds of things that we need in Philadelphia. I think that it would be more effective on the local level. Certainly the national level may be able to set policy, but it is the local level that is effective and knows more about what input is needed.

Mr. **Myers**. The reason I asked that question, earlier Mr. Bowser had suggested that he would rather be carpenter-trainee, and taking all lines, and maybe he could get some information from such a center, and if there was work for a carpenter in another area, in another location, this might be a way to combat unemployment.

I think that it is an excellent suggestion as far as that is concerned.

Other than that, I just want to make a general comment. I am a firm believer that the CBO's are certainly very effective. Certainly, if someone does not do their job, everybody gets the blame for it.

National organizations, such as SER-Jobs for Progress, or National Urban League have established their effectiveness, and are very effective in job placement. But a lot of the prime sponsors statistics, where you have poor quality use, the whole CETA program is criticized for it. I think that CBO's probably are blamed for a lot of things that they are certainly not a part of. I certainly hope that we can get that area straightened out, and get better respect for the people who are really interested in combating this problem.

I would like to thank each of the witnesses, Mr. Chairman, for their testimony.

Mr. HAWKINS. Let the Chair underscore what Mr. Myers has said. He is exactly right.

Also, I want to repeat what Mr. Gray has said. I think the witnesses from the neighborhood organizations have certainly had excellent presentations. We find ourselves in such complete agreement that there is very little clarification needed.

Do any of the witnesses wish to make a further comment in response to Mr. Myers' statement?

Mr. SORRELL. I would like to say in response to some of the things that have been said about CBO's, I think an illustration of Philadelphia as to the effectiveness of many of the community based organizations, the current CETA system, this year as compared to last year, I think is a little more effective because of the involvement of CBO's. They are starting to open up and invite members of community-based organizations to participate in that.

Again, at the point where the tire meets the road, there is a vital role for the community-based organizations to play. There was a problem last year in the CETA system of finding placement for public service employees, given the wage scale that was to be offered. There was a comment made, "Is it very difficult. We cannot find jobs to place these people on because of the limited salary." At that point, we tried to point out that there are many community-based orgnizations that will gladly accept and place these individuals for the salaries that are offered.

The community-based organizations have limited staff and a lot of work to do, and the wages offered through the CETA system where in some cases higher than the wages paid to the staff members of the CBO's. So they welcomed the opportunity. But the system had not, prior to that point, thought of going to CBO's and asking them to participate.

So, I think that it will make it a better system to have the thinking and also the participation of CBO's on some of these very difficult problems. I do not see the misuse or abuses that are pointed out any more so than organizations that are not CBO's.

So I really don't think that that criticism is justified. But I know that it is repeated time and time again, and we need to do everything we can to refute that.

Mr. HAWKINS. Are you suggesting that beyond the wage question, there is a viable role that can be played by the people of those organizations, not merely to accommodate the lower wage?

Mr. SORRELL. I think that there are many things that community-based organizations can do, that cannot be done from the headquarters of your local manpower agency. That is vital input that is needed, but there has to be a mechanism to include it. I don't think that we have wracked our brain to find out how to do that, or to open up the doors for participation in that process. I think that the legislation has to enforce that. It has to be mentioned in the legislation.

The Private Industry Councils, for example, there is certainly a role for CBO's to play on those councils, and it ought to be mandated in the legislation that there must be participation, and probably a certain percentage, because if it is not mandated, then it tends not to happen. The excuse becomes, "We cannot find one."

Mr. HAWKINS. Mr. Owens?

Mr. OWENS. I would like to raise the question that you mentioned earlier about the division of jurisdiction between your committee and Ways and Means. But as the blend of a litle bit of coercion and a little bit of incentive goes to the private sector to participate in these, both sides need to be there.

That there are concerns that come up that sometimes the incentives get bogged down. We have been trying to encourage the youth targeted tax credit only to be caught in trying to promote that between the Department of Labor's encouragement, and the Internal Revenue saying: "It is unclear whether they are going to give a real credit."

If it is possible, in dialog, between your committee and the Ways and Means Committee, or whatever other appropriate committee, to insure the interlocking and interworking of the Federal bureaucracy to carry out the well-intended incentives programs, it will help us at this level greatly in pushing industry to participate. Without that, it is a big problem.

I just felt that this ought to be said because that is a barrier right now that we are experiencing.

Mr. HAWKINS. This committee often makes recommendations to the other committees. We do do that, but I just wanted to clarify the jurisdictional aspect. I wanted Mr. Bowser to be aware of the fact that his comments, which I supported, must go far beyond mere presentation before this committee. You have to convince the membership of the other committee. A mere communication of this committee to the other committee in this instance is not quite sufficient.

Mr. OWENS. In this particular instance, I assume that IRS is not responsible to your committee. But are they responsible to Ways and Means.

If not, I would wish that in this particular instance something could be taken back that would clarify this situation now, because community agencies that are trying to develop contacts with the private sector are in an ambiguous position, because they are trying to say to an employer: "You will get credit," using the DOL literature. In the meantime, the employer checks it out with the Internal Revenue Service, and gets a fuzzy answer, and says: "We are not going to do anything." That is a hangup. If anything can be done about that one now, that is an incentive that we can use straightaway.

Mr. HAWKINS. We can convey that problem with suggestions to the Ways and Means Committee. I think that most of the jurisdiction lies within that particular committee. We would be very glad, if you wished to submit additional comments or documentation that would assist us in communicating to the other committee.

Mr. Fattah, did you want to say something?

Mr. FATTAH. I would like to yield, really. There is a youth here, and I think that it would be sad to have come this far, and not hear from a young person who is, in fact, caught up personally in the problem we are discussing. I would like to yield whatever time that I have, so you get a word from the horse's mouth, so to speak.

Mr. HAWKINS. The next panel will consist of some unscheduled persons that the committee has sufficient time to hear from. Perhaps Mr. Fattah, you could indicate who it is that you wish to have testify.

Mr. FATTAH. Mr. Timothy Morris.

Mr. HAWKINS. He is not a scheduled witness, but we have added his name.

Mr. FATTAH. Thank you very much.

Mr. HAWKINS. The next witness is Mr. John Dodds, director of the Philadelphia unemployment project, and also Mr. Timothy Morris is a part of the Youth Employment Coalition. Would those two persons please come to the witness table.

We will hear from you first, Mr. Dodds. Do you have a prepared statement?

Mr. DODDS. Yes, but it is not typed.

Mr. HAWKINS. I see.

Mr. DODDS. But I will give one to the committee.

Mr. HAWKINS. If it is a prepared statement, it will be entered in the record in its entirety. You may proceed to give us the highlights.

STATEMENT OF JOHN DODDS, DIRECTOR, PHILADELPHIA UNEMPLOYMENT PROJECT

Mr. DODDS. Congressman Hawkins, I want to welcome you to Philadelphia and tell you that the Philadelphia unemployment project has been fighting for the Hawkins-Humphrey bill since 1975, back when it was just the Hawkins bill. As a member of the board of the Full Employment Action Council, I greatly appreciate the leadership that you have shown in the fight for full employment in this country over the years. It has been well appreciated by us in Philadelphia.

The Philadelphia unemployment project has been fighting for full employment by mobilizing unemployed people to lobby, study, picket, march and do whatever it takes to get the word out for jobs, and for a commitment to jobs in this country. We have also worked with CETA workers, along with Congressman Myers and Congressman Gray, to try to save the jobs of CETA workers in this city, and through their help we have been very successful.

I will read first some Bureau of Labor Statistics annual averages for 1978 for youth unemployment, which I have not heard today. I think that they are very telling for the city of Philadelphia. All youth in this city, 25 percent are unemployed between 16 and 19; 24.6 are unemployed between ages 20 and 24. For nonwhite youth, age 16 to 19, officially we have an official rate of 48.5 percent, and for age 20 to 24 we have an official rate of 41.1 percent.

I know these hearings have been designed to speak about the problems of youth, and it is very obvious that something must be done. I support the provisions of H.R. 4465. We need funds for jobs programs, to train our youth, and get them started for the world of work. But then what? That is the real question.

We are in a context here in Philadelphia where officially we have over 8.5 percent unemployed in the city of Philadelphia, and I think that it is going to be very difficult to solve the problem of youth unemployment in a time of massive unemployment for all people in this country.

In Philadelphia, we have been in a major recession, I guess, since 1974. This city has never recovered from that recession. One of the basic reasons is that the jobs have been leaving this area, not just Philadelphia, but the Northeast, the Midwest. There are 1.4 million less manufacturing jobs in the Midwest and the Northeast than there were in 1966. Pennsylvania alone has lost 220,000 manufacturing jobs since 1969, and the city of Philadelphia has lost 145,000 jobs.

These manufacturing jobs are the jobs that our youth can go into, where the youth do not have to be college graduates, do not have to be engineers, nuclear physicists, and so forth. They can go and do a day's work, and become employed.

I think I have an article here from the Daily News, or just a page of articles from August 12, 1979, which is very illustrative of what has been going on. At the bottom, it shows Lee Tires shut down, and it cost 850 jobs. The headline on the top is "500 city employees may face layoffs." The small article in the corner, "State furloughs 200 workers."

This is what we are talking about right now in the context of trying to solve youth unemployment, which is a context of massive job loss for our State. Industry moving south, moving overseas, and really just leaving us high and dry. Where are the jobs?

The Governor in his statement calling for the elimination of the general assistance programs tells us to look in the want ads for the jobs. Philadelphia unemployment project did a study of want ads in the Sunday Bulletin. It is a couple of years old now, but I think it is very revealing, June 1977 Sunday Bulletin. Five hundred jobs were listed in that paper that day. In terms of someone without specific experience in a field, or a specific skill, there were 8 jobs listed, eight jobs in that entire Sunday paper, and all eight jobs called for the minimum wage.

These are the jobs that we are going to put our youth into, the 8 out of 538. This is 48 percent of the people fighting for those eight jobs.

I think that we have to face the fact that this economy as it is presently constituted does not require need, or want our youth and many of our adults to work. I think what we must demand and organize and fight for a program that is going to guarantee jobs for all of our people, a program like the Hawkins bill, which made employment a right for the American citizen.

Mass transportation, weatherization, housing rehabilitation, road repair, social services, day care, all of these things are needed, but basically somebody has to pay for these people to work. I think what we have to look for is funds from Congress to do that, from our Federal budget.

An example of a program that would really meet needs would be a housing rehabilitation program, to rehabilitate the abandoned and falling down houses, at the same time using building tradesmen, union members to train our youth and put them to work, employ the building tradesmen at union scale, and have them really train properly the unemployed youth.

I think what we need to do is to expand the CETA program. I am going to say something which you are not hearing too much in Washington, but the Government should be the employer of last resort in this country, and it should be the employer of last resort at decent wages, not at a minimum $7,800 average, which we are trying to deal with in Philadelphia, which has caused to lose this $12 million in CETA funds.

Community-based organizations should get these jobs, but the way the Congress at this point has decided to give jobs to community-based organizations is to make wages so low that no unionized city work force can take the workers into it. I think that you should mandate a certain percentage of CETA funds to go CBO's, but not by forcing the wages down, basically below a living wage.

I think we have seen that the private sector is not going to make the jobs available to our youth and to our people, and we need to find a way to save the jobs. I think we are talking about the flight of industry from the Northeast has got to be stopped, and I think there is legislation right now in Washington, legislation from Senator Williams, and Congressman Ford have introduced bills to stop or slow runaway shops.

I believe that Congressman Ford's bill is in your committee right now, Congressman Hawkins. Is that correct?

Mr. HAWKINS. That is correct, and the committee is considering a series of hearings on this subject matter. We have already contemplated scheduling one of the west coast, and certainly we will consider some locations in the Northeast.

Mr. DODDS. I will say that we have been organizing a coalition around the city and the State with the AFL-CIO, and with many of the unions, church and community groups to fight the whole problem of runaway shops, and we would be very happy to host another hearing like this in this area, as we have been severely damaged by the flight of industry.

Mr. HAWKINS. If you exert any influence on your Congressman, I suggest you contact him.

Mr. DODDS. All right. We see him once in a while, and I am sure he will be quite helpful to us in this area.

Also, I think in general it is very important that we, in this country, make the same commitment to the internal security, the internal health of our country that we make to the external security, and that we put some of the funds that we put into national defense into defending ourselves from unemployment, family destruction, crime and all the things that go with it.

I am very happy that your committee is here. I know that you support those kinds of sentiments, and I think what we have to do is to take that fight to Washington and continue to make that fight.

Thank you.

Mr. Hawkins. Thank you, Mr. Dodds.

You have referred to several documents. Do you have any of those additional documents to support your views?

Mr. Dodds. Yes.

Mr. Hawkins. Without objection, those additional documents will be entered into the record. I appreciate your leaving them with the staff.

Mr. Hawkins. Mr. Timothy Morris, I understand that you are speaking as an individual for the Youth Employment Coalition.

STATEMENT OF TIMOTHY MORRIS

Mr. Morris. I am very happy to be giving testimony this morning concerning my feelings on jobs and opportunities for strictly young people.

I would like to state that at present, I, myself, am unemployed, and lacking skills to find work, not to be negative as to my intent, but to make a point, that this should not be held against me and other youth.

I understand that many of my friends who are unemployed hang on street corners with nothing to do, which usually contributes to their dependence on drugs, or other negative performances. Apparently, these friends of mine have no sense of direction, and no responsibilities, except to attend school on some occasions.

I have found that a lot of them have been involved in using drugs because they have nothing to look forward to. I have found that some of my friends who had enough backing to go to college are still having problems getting work in their chosen field.

In my opinion, I feel that any man or woman graduating from high school today lacks the major requirements to find work.

I strongly feel that unemployment of youth and crime are closely related. Young people today generally believe that school is not preparing youth to fill their responsibilities in the real world.

If these data prove to be true, I recommend that the following course of action be taken.

To give youth an incentive to develop skills in job orientation programs. These programs should include skilled trades which would lead to job placement, along with receiving money for work. These should be given light skill management to help develop independent responsibility to relate to society.

I also recommend that more Government funds be made available to create more jobs for the Philadelphia youth. If I may also add that if this course of action is taken it will find favor among youth and their parents, and in general.

Thank you.

Mr. Hawkins. Thank you, Mr. Morris.

I understand that Mrs. Hazel Merrick is also desirous of having a statement included in the record. I think that it is extremely important, Mrs. Merrick, that we do hear from parents. I understand that you are a parent, and we will be very happy to hear from you, and receive your statement.

STATEMENT OF HAZEL MERRICK, PARENT

Mrs. **Merrick**. Mr. Chairman, this letter came to my home about this meeting, and I have sat in this room, and I have seen all of these experts, and the majority of these people are receiving some sort of Federal funding, or something. Yet, I am a parent, these things that you are doing are affecting my children's right.

I hope that I am not coming here to preach but I wish when you hold these kinds of hearings, you should think about the students, the unemployable, the people that you are making laws about. You should be trying to reach these people, asking these people: What are your problems? How can we help you solve those? Let them put their input in, and not someone from the top, because by the time all these programs feed back, they really do not reach the people that you are really affecting.

No. 1, the CETA program, this is a good program, but the time is too short in this program. This program for certain minority people who are on welfare, they are off the welfare rolls, they work in these programs for a little while, and they are back on the welfare rolls. There are no good jobs.

Another thing is, we get the Job Corps. This is another good program, too, but it does not provide the necessary program for my people.

No. 2, I like the funding, but I think the funding for title II should be into the grassroots, into the city, where the people are who will not benefit financially from it. I mean the organization that works out of the little schoolhouse, or out of the church, who helps the students, and help their peer, and not getting any Federal funds. These are the people who should be put into these programs.

Then we go to the WIN program. The WIN program is administered, to my understanding, by the Department of Welfare. The Department of Welfare cannot even take care of welfare problems, much less take care of educational programs. This is one thing I hate.

You talk about the funding for expansion for people for trade unions. I think that this is a very good program, but I would like to say something that I feel should be put into it.

I think that you should be concerned about the unemployment situation in Philadelphia. There are too many programs that do not cover everyone. This is the way I feel. Just because you make $13,000 a year, a parent with four or five children cannot afford to have all of those children get the proper amount of education. This is one aspect of the programs that I don't like.

I think that young men and women who are not working should explain their views. You should ask them for solutions. You should ask their parents for their problems, and their concerns, and ask for their solutions. Their solutions should be in there, and not all of these experts.

Why are you using experts? You should be down there trying to find out why you have had these programs for so many years with all of these experts, all of these specialists, and before my generation, during my generation, and even now, the same problems exist.

The programs should cover every man or woman who does not have a job. There should not be a cutoff age until every American boy has finished college.

Right now there are too many programs that if they last for 2 or 3 years, and then they are stopped. These people are back on the street, unemployed, and back on the welfare. This has been going on for generations, and it has not changed, and it is still here.

We should have programs that can produce skilled labor, I mean, clerks, typing, bookkeeping, automation, computer operation, and when they are finished with these programs, they can go into the private sector. Not just 1 year, but they need 3 or 4 years just like a person who is college graduated, just like a doctor, a lawyer.

These unskilled workers need the same opportunities to be producing. To be a good accountant, you need to be there for 4 years. To be a doctor or a lawyer, it is *x* amount of years. There should be a period of time for each category of workers, so that when they have finished with the program, when the people go out into the private sector, they can be able to work. Then they don't have to ask the State for any money. They can go out and earn the money, and take care of their families.

I think the schoolday should be expanded in Philadelphia.

No. 2, there should be a whole year of school, and not September to June. It should be extended into summer. I do not want my children out there cleaning the streets, when they need the reading, and the writing and they need to learn. They should also be able to know their math. Then, they can continue on to college.

The next thing that I would like to do, I would like my child to receive the proper education, and it should not be employable, or unemployable youth. This thing started when my child first started in school, and it should begin at age 4, when children are exposed to the proper education, and extended all the way up to the college level.

The ones that cannot be in college, when they are out of high school, they should be trained for *x* amount of years, for *x* amount of different jobs, and in different categories, so that when they come out, they can say:

> I am a good typist. I can go to my boss, and say: Yes, I am. I can type 50 or 100 words per minute.

Why do you want to set up a program, where you are going to waste the taxpayers' money for 1 year to a private business school, and when this person comes out of school, she cannot type 10 words. This system has been going on for years and years. It has not changed. It is still the same.

If everybody is going to get a piece of the American pie, then everybody should be able to have the opportunity to produce and get what everybody should be given.

Thank you.

Mr. HAWKINS. Thank you, Ms. Merrick.

May the Chair announce at this very appropriate time that anyone else who has any testimony to present may do so through letters or statements. They will be incorporated in the official record just the same as any of the other testimony presented today.

Mr. Gray?

Mr. GRAY. Thank you, Mr. Chairman.

Let me just say that I appreciate the testimony of Mr. Dobbs, Ms. Merrick, and Mr. Morris, which bring up I think a rather unique perspective.

Mr. Morris, an unemployed young person himself. Ms. Merrick, a parent in the community who has children. Mr. Dobbs, who is, I will use this word, a "gadfly" on the whole question of unemployment in the city of Philadelphia.

I would like to just say two things, and then ask one question, then I will yield back to my colleagues.

I think that the committee chaired by Congressman Hawkins did come to Philadelphia to hear a full range of perspectives from all segments of the Philadelphia community, with which to form a data base that will help in the legislative process to determine what is wrong, what is right, and what needs to be done. I think that we have had a good cross section to build on as we come to the end.

I simply want to express my appreciation to the youth employment coalition for coming and suggesting this, and to the chairman of the Subcommittee on Employment Opportunity for coming to Philadelphia with our colleague Congressman Ozzie Myers.

The question that I would just ask Mr. Morris. Could you respond to this question, as a young person who is affected by the unemployment problem, could you tell me what is it that you feel, and what is it that you do with your time? Have you ceased to look for employment, and what are some of the problems that happen to a young person, like yourself, who is unable to find a job?

Mr. MORRIS. I am still presently looking for a job. The problem in getting a job, and staying in school, and I am in high school, seems to be a lack of determination, and I do have that.

Mr. GRAY. Thank you, Mr. Chairman.

Mr. HAWKINS. I understand that Mr. Myers has no questions. Again, the committee wishes to thank you, Mr. Morris, Ms. Merrick, and certainly you, Mr. Dobbs. The Chair is deeply appreciative of the work that you and the coalition have been doing in Philadelphia, particularly in the political environment. Your efforts which go back a number of years have paid off to a large extent, and we are now in the process of trying to implement the act, which you and others helped to put through. I think that now we will have to put up a stronger fight.

I wish to thank Mr. Gray and his staff for their services to the committee, and certainly to Mr. Myers, a member of the full Committee on Education and Labor who was willing to become a member of the subcommittee for the day, and to the people of Philadelphia for a very excellent hearing today.

The hearing is adjourned.

[Whereupon, at 1:40 p.m., the subcommittee adjourned, to reconvene at the call of the Chair.]

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